



REPORT
OF
THE RETAIL OUTLETS
COMMITTEE



NOVEMBER, 1967

नवम्बर १९६७

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND CHEMICALS

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CHAPTER I BACKGROUND

1.1 Introduction.—Petrol pumps, as they are known in common parlance, or 'retail outlets', 'filling stations' etc., in the parlance of the oil companies, are increasingly becoming an integral part of the life of the community, not only in the cities, but also in the rural areas. The local authority in the advanced countries prescribes rules, and the oil companies actively promote architectural designs, that help fitting in of the retail outlets in the land-scape of the area, at the same time providing maximum possible amenities to the motorists. In many countries, the retail outlet is also the pivotal point, with motels, drug stores and other ancillaries developing around it, quite often under the same management.

1.2 In India, as new areas open up and come within the reach of mechanised transport, the grocer's hut, the eating house and the retail outlet, all come up at about the same time. In some of the larer cities, the town planners provide for a retail outlet in quite the same manner as for a school or hospital. There is greater awareness to giving new look to the existing as well as the new outlets, especially in the larger cities. In the matter of amenities, there is greater appreciation of the need for providing the basic as well as other amenities. There is no doubt whatsoever that in due course the retail outlets in India will compare favourably with the standards of services and amenities available to the motorists in the advanced countries. The steadily growing number of motorists, tourists and others will eventually make it remunerative for the retail outlet owner to do so.

1.3 The question of growth of retail outlets has been under Government's consideration for quite some time. The subject was discussed at length by the Steering Committee of the Oil Advisory Committee at New Delhi on 5th April, 1966. At the Stearing Committee discussions, it was suggested that the matter could be studied in detail by an expert Committee. This view was endorsed by the Oil Advisory Committee in its 6th meeting held at New Delhi on 23rd April, 1966.

1.4 Committee appointed.—On 9th June, 1966, the Government of issued a Gazette Notification containing the Government resolution appointing the Retail Outlets Committee, "to study the growth of retail outlets in the country in the past and to report on the desirability and methods of regulating futuregrowth", with the following terms of reference:—

"The Committee will,

- (a) make a factual study of the growth of retail outlets in the last ten years and of the volume of average sales per outlet, a comparison with the position in other countries and an assessment of the justification for and consequences of the increases that have taken place shall be made;

(b) in the light of (a) above, report on the need for and methods of regulating the growth of retail outlets in the future with reference to:—

- (i) the position in and the needs of the urban and rural areas separately and
- (ii) the expected growth of total business in the country and company-wise; and the criteria to be adopted in any such regulations;
- (c) consider the desirability and feasibility of intercompany accommodation and/or adjustment in existing outlets.

The Committee will ascertain and take into consideration the views of State Governments and large City Administrations, as may be found desirable.”

1.5. Composition of the Committee.—The Committee was intially constituted as under:—

1. Shri R.R. Morarka, Chairman.
2. Shri I. K. Gujral, Member of Parliament, Member.
3. A nominee of the Ministry of Transport [Dr. V. G. Bhatia, Director (Transport Research), was nominated as Member].
4. A nominee of the Indian Oil Corporation Limited (Marketing Division)—Member. Shri S. D. Bhambri was nominated.
5. A nominee of Burmah-Shell Oil Storge and Distributing Company of India Limited—Member. Shri R. Dayal was nominated.
6. A nominee of Esso Standard Eastern Inc.,—Member. Shri P.V. Menon was nominated.
7. A nominee of Caltex (India) Limited,—Member. Shri B. Lal was nominated.
8. A nominee of Federation of All India Petroleum Traders—Member. Shri A. R. Damodaran was nominated.
9. A nominee of the Indian Institute of Petroleum—Member. Shri M. Kurien was nominated.
10. Shri A. P. Verma, Deputy Secretary, Ministry of Petroleum & Chemicals—Member-Secretary.

1.6 The following changes took place in the Committee's composition.—

- (a) Shri H. R. Bery was nominated by Caltex (India) Limited to serve as Member on the Committee, in the place of Shri B. Lal.

- (b) Shri Kundan Lal, Secretary-General, All India Motor Unions' Congress, was nominated to serve on the committee as Member. This increased the Committee's strength, including the Chairman, from ten to eleven.
- (c) Shri K. N. Khanna was nominated by Burmah-Shell Oil Storage and Distributing Company of India Limited to serve as Member on the Committee in place of Shri R. Dayal.
- (d) Shri Chandra Shekhar, Member of Parliament, took over as Member in place of Shri I. K. Gujral.

1.7 Time limit for Report.—It was initially hoped that the Committee would be able to complete its deliberations and to finalise its report in 4 months' time. But even in its very first meeting, the Committee realised that this time limit would be too short for the finalisation of its deliberations. Consulting the State Governments, conducting field surveys, compilation of voluminous statistics and obtaining details from the foreign countries, are time consuming processes. The period for the completion of the Committee's work, therefore, required extension till 15th November, 1967.

1.8 Sittings meetings and surveys.—The Committee had 19 meetings in all, mostly at Bombay and Delhi. The sub-Committees of the main Committee met the officials of a number of State Governments and carried out field surveys of the retail outlets in the selected areas of Ahmedabad, Bombay, Calcutta, Delhi and Madras, as also on the National Highways leading from Bombay to Bhiwandi, Calcutta to Durgapur, Delhi to Ludhiana and Madras to Tambaram.

1.9 Terms and abbreviations.—The following terms and abbreviations have been used in this Report.—

1. **Retail Outlet (R/O)**—means a filling stations for the retail sale of petrol or diesel or both, with one or more pumps and with or without facilities for servicing of vehicles and/or for carrying out repairs (minor or major). The term excludes pumps set up for the sale of kerosene. It also excludes shops and establishments for the sale of petrol or diesel in containers.
2. **M.S.**—Motor Spirit 79 Octane, also known as petrol, motor gasoline etc.
3. **H.S.D.**—High Speed Diesel Oil, also known as Automotive Diesel Oil.
4. **L.D.O.**—Light Diesel Oil for low speed engines.
5. **Lubes**—Lubricating oils and greases.
6. **Throughput**—Sale of M.S. and/or HSD through pumps, from retail outlets. In this report, unless otherwise specified, throughput has been given in terms of sale in kilolitres per outlet (and not per pump as some retail outlets have 2 or more pumps) per month, separately for MS and for HSD.

7. **Oil Companies or Industry**—The term refers to the 6 oil companies, selling M.S. and H.S.D. in India through retail outlets. These are:—

- (i) Assam Oil Company Ltd. (AOC).
- (ii) Burmah-Shell Oil Storage & Distributing Co. of India Limited. (Burmah-Shell)
- (iii) Caltex (India) Limited . . . (Caltex)
- (iv) Esso Standard Eastern Inc. . . . (Esso)
- (v) Indian Oil Corporation Limited . . (IOC)
- (vi) Indo-Burmah Petroleum Co. Ltd. . (IBP)

8. **Associated Refinery**—for AOC—refinery at Digboi in Assam.

For Burmah Shell—Burmah Shell Refinery, Bombay.

For Caltex—Caltex Oil Refinery, Visakhapatnam.

For Esso—Esso Refinery at Bombay.

For Indian Oil Corporation—

The Refineries at Gauhati in Assam, Barauni in Bihar, Koyali near Baroda in Gujarat, Cochin in Kerala and later Madras Refinery at Madras and Haldia Refinery near Calcutta.

9. **K. L. Kilolitre/s**

10. **CIE**—Chief Inspector of Explosives.

11. **NOC**—No Objection Certificate.

12. **OPEC**—Oil Price Enquiry Committee (1961).

13. **WGOP**—Working Group on Oil Prices (1965).

14. **Urban and Rural areas**—Urban areas comprise all cities with a population of 2 lakhs and above and a periphery of 10 miles from the outer municipal limits of such cities. The rest of the area has been treated as the rural area.

15. **Metropolitan Cities**—Bombay, Calcutta, Delhi and Madras.

CHAPTER II

PRELIMINARY WORK

2.1 Questionnaire.—At its first meeting at Bombay on 12th August 1966, the Committee approved the main questionnaire to be addressed to :

- (i) Oil Companies.
- (ii) State Governments.
- (iii) Larger City Administrations.
- (iv) Chief Inspector of Explosives
- (v) Federation of the All-India Petroleum Traders, and
- (vi) Foreign Embassies.

2.2 Mode of Contacts.—It was also decided that the views of the State Governments and the larger City Administrations should be obtained in three ways as under.—

- (a) By addressing questionnaires;
- (b) By meetings with as many State Governments as possible, and with the larger City Administrations of Ahmedabad, Bangalore, Bombay, Calcutta, Delhi and Madras. For this purpose, the Committee constituted three sub-committees, each with a convener and two members. Besides meeting the concerned officials of the State Governments and the larger City Administrations, these sub-committees also conducted field surveys of the Retail Outlets in the regions allotted to them.
- (c) By the Chairman addressing personal letters to the Chief Ministers to elicit their views on the more important issues concerning the Committee's work.

2.3 Selection of foreign countries.—The Committee decided to obtain information from the following countries.—

In Europe—France, Italy, The Netherlands and the United Kingdom.

In the Far East—Australia, Japan, Malaysia, Thailand and the Phillipines.

In S. America—Brazil.

The information from these countries was sought through our embassies in the concerned countries, through their embassies in India, and also the foreign oil companies operating in India.

2.4 Period of Study for Past Trends.—The Committee's terms of reference required a factual study of the growth of retail outlets in the last ten years, but the oil companies represented that they did not have records for more than 5 years. It was, therefore, decided to confine the scope of study to the period from 1st January, 1962, onwards.

2.5 Areas of Study.—The Committee was required to take note of the position and the needs of the urban and rural areas separately. The Committee initially decided to divide the area of study as under.—

- (a) The 4 metropolitan cities of Bombay, Calcutta, Delhi and Madras;
- (b) Other towns with a population of one lakh and above;
- (c) Towns with a population between 25,000 and one lakh;
- (d) National Highways;
- (e) State Highways;
- (f) Other areas not included in (a) to (e) above.

Later, however, it was realised that there would be extensive overlapping if the Retail Outlets were to be studied in the above fashion. Among other reasons, this overlap was due to the octroi barriers which resulted in Retail Outlets clustering just outside the city limits. It was clear that the mere location of a large number of outlets just outside the city limits would not justify their inclusion in the rural areas. Similar difficulties arose in respect of the National and State Highways passing through towns and cities. Duplication in accounting could thus be avoided only by undertaking extensive field investigations of all of the outlets, the trade handled by each, year-wise, the other arrangements at the outlets etc. This would have required a stupendous effort indeed, and a good deal of time.]

2.6 After taking note of the practical difficulties involved in the identification of the areas, compilation of information from all of the outlets in the area, its tabulation and the interpretation of the data on this basis, the Committee decided to simplify its work and divide the area of study in the following manner.—

- (a) The 4 metropolitan cities;
- (b) 26 selected towns, each with a population of above 2 lakhs, preferably in a descending order of population; and
- (c) The rest of the area.

Even for the 26 selected towns, the oil companies could give information only by going to the field. Any larger number, to embrace all towns with a population of 2 lakhs and above, would have inordinately delayed the compilation of the data by the oil companies. The 26 towns selected for study, in addition to the four metropolitan cities, were, therefore, considered to be a reasonably good sample for basing the Committee's study of the urban areas. For the same reasons, it was accepted that a study of

the retail outlets in the rest of the area, i. e., excluding the 4 metropolitan cities, and the 26 selected towns, will give a reasonably clear picture of the position obtaining in the rural areas. The position of retail outlets has thus been studied with reference to the following regional grouping.—

Group 'A' : The 4 metropolitan cities;

Group 'B' : The 26 selected towns as under—.

1. Agra.	14. Jamshedpur.
2. Ahmedabad.	15. Kanpur.
3. Allahabad.	16. Lucknow.
4. Amritsar.	17. Madurai.
5. Bangalore.	18. Mysore.
6. Baroda.	19. Nagpur.
7. Cochin-Ernakulam.	20. Patna.
8. Coimbatore.	21. Poona.
9. Gwalior.	22. Sholapur.
10. Hyderabad-Secunderabad.	23. Srinagar.
11. Indore.	24. Tiruchirapalli.
12. Jabalpur.	25. Trivandrum.
13. Jaipur.	26. Varanasi.

Group 'C' : The rest of the area; and

Group 'D': All India.

Elsewhere in this Report, these regions have been referred to as Groups 'A', 'B', 'C' and 'D' respectively.

2.7 Initially, the Committee had favoured a look at the position obtaining in each State/Centrally administered area. However, in the absence of any up-to-date estimates of the type and number of vehicles and the vehicle-kilometres for each type, separately for each State/Centrally administered area, it was felt that no useful purpose will be served in undertaking such a study.

2.8 Apart from consultations with the State Governments and others, through questionnaires, letters and visits by the sub-committees, the Committee also had detailed discussions with Secretary to the Government of India, Ministry of Petroleum and Chemicals and the heads of the oil companies, on the various issues framed by the Committee.

CHAPTER III

PATTERN OF GROWTH OF RETAIL OUTLETS

3.1 2,092 New Outlets in the 1st 5 years.—In the 5 years' period from 1st January, 1962 to 31st December, 1966, as many as 2,092 new retail outlets or more than 1 outlet daily, were commissioned.

3.2 Broad Groups of Outlets—The retail outlets can be divided in the following three broad groups.—

- (a) Retail outlets with facilities for the sale of MS only—also known as 'lone MS outlets';
- (b) Retail outlets with facilities for the sale of HSD only—also known as 'lone HSD outlets'; and
- (c) Retail outlets with facilities for the sale of MS and HSD.

In the later chapters, "throughput" for MS per retail outlet has been taken on the basis of the combined MS throughput of (a) and (c), above. On the same lines, HSD throughput is based on the combined performance of (b) and (c) above. The total number of retail outlets operating in the country will be the total of (a), (b) and (c).

3.3 Company-wise and total growth in numbers.—Company-wise growth of the retail outlets in numbers since 1-1-62 is shown in annexure-1. Based on the figures in this annexure, the following company-wise position emerges :—

- (i) *Burmah-Shell*.—During this five-year period, Burmah-Shell Commissioned 878 outlets, de-commissioned 394 existing outlets and thus improved their overall position by 484 outlets. A steady growth rate was maintained till the end of 1964 with Burmah-Shell contributing 36.4% of the new retail outlets commissioned in the country in the 3 years from 1962 to 1964. Thereafter in 1965, the rate of additions to retail outlets by Burmah-Shell dropped to one third of that in 1964 and in 1966 further dropped to one sixth of the 1965 figure, i. e. a meagre 8 new outlets. During this period, whereas Burmah-Shell increased its number of retail outlets by 16.3%, the industry as a whole increased the outlets at a little more than twice this rate, i.e. by 35.5%. Of the total number of new retail outlets commissioned during this 5-year period, 23.1% were by Burmah-Shell and the rest by the other oil companies. The net result has been a lowering of the percentage of Burmah-Shell's retail outlets to the total in India from 50.41% as on 1-1-62 to 43.26% as on 1-1-67.

(ii) *Esso*.—During this five year period, Esso commissioned 500 new outlets, decommissioned 177 and thus had a net increase of 323 outlets. Esso's growth rate till the end of 1964 contributed over one fifth *i. e.* 21.9% of the new retail outlets commissioned. During 1965 and 1966, however, there was a marked slowing down of the rate of new additions, though not to the same extent as in the case of Burmah-Shell. In 1966, for instance, Esso commissioned more than three times the number of new retail outlets put up by Burmah-Shell. The rate of growth for Esso and for the industry as a whole over this 5-year period was 22% and 35.5% respectively. Starting from a 24.81% share in the total number of outlets on 1-1-62, Esso declined marginally to a 22.36% share as on 1-1-1967.

(iii) *Caltex*.—During this five-year period, Caltex commissioned 308 new outlets, decommissioned 147 and thus had a net increase of 161 outlets. Caltex maintained a steady growth rate in the first 3 years, *i. e.* 1962 to 1964, but thereafter, it registered a decline in its total number of outlets. This brought down the percentage of Caltex's retail outlets to total from 20.37% as on 1-1-62 to 17.05% as on 1-1-67.

(iv) *I.O.C.*.—During this five-year period I.O.C. commissioned 1046 new outlets, de-commissioned 1 and thus had a net increase of 1045 outlets. The IOC has been steadily improving its number of retail outlets. In the last 3 years, *i.e.* 1964, 1965 and 1966, the number of new outlets commissioned by the IOC has increased from 133 to 458. As a result, IOC's percentage to total retail outlets in the country has improved from 0.02 in 1962 to 13.1 as on 1-1-67. During this 5-year period, the IOC set up 50% of the new retail outlets.

(v) *I.B.P.*.—During this five-year period, IBP commissioned 51 new outlets, decommissioned 8 and thus had a net increase of 43 outlets. IBP has maintained a more or less steady growth rate and thus increased its own number by 24.2% compared to the industry increase of 35.5%. 2.1% of the new outlets during the period were put up by the IBP. Its share in the total has, however, marginally declined from 3.0% as on 1-1-62 to 2.75% as on 1-1-67.

(vi) *A.O.C.*.—During this five-year period, AOC commissioned 40 new outlets, decommissioned 4 and thus had a net increase of 36 outlets. AOC has also kept a steady pace of expansion. In comparative terms, AOC improved its outlets during this 5-year period by 43.9%, as against the industry increase of 35.5%. Its contribution to new outlets commissioned in the country was 1.7%. Excluding IOC, this is the only company to improve its share in the total outlets.

3.4 The table below shows the year-wise and company-wise actual and the percentage increase from year to year, as also the compound growth rate for the period.

	1962	1963		1964	
		No.	% to total	No.	% to total
Burmah-Shell	...	+148	39.9	+127	35.8
Esso	...	+100	26.9	+74	20.9
Caltex	...	+86	23.2	+77	21.7
IOC	...	+22	5.9	+71	20.0
IBP	...	+10	2.7	+1	0.3
AOC	...	+5	1.3	+5	1.4
Total	...	+371		+355	
% increase from year to year			6.29		5.66
					6.86

	1965	1966		Total '62 to '66	
		No.	% to total	No.	% to total
Burmah-Shell	...	+47	10.3	+8	1.8
Esso	...	+39	8.6	+26	5.7
Caltex	...	-20	-4.4	-41	-9.0
IOC	...	+361	78.9	+458	100.2
IBP	...	+15	3.3	+4	0.9
AOC	...	+13	2.9	+2	0.4
Total	...	+455		+457	
% increase from year	..		6.43		6.07
					6.3%

Conclusions.—The following conclusions emerge from the above table :—

- Of the 2,092 retail outlets added in the 5 years ending on 31-12-66, 50% were by the IOC, 23.1% by Burmah-Shell, 15.4% by Esso, 7.7% by Caltex, 2.1% by IBP and 1.7% by AOC.

(b) Company-wise, percentage to total number of retail outlets put up from year to year has been declining in the case of Burmah-Shell, Esso, Caltex and increasing in the case of IOC. In the case of IBP and AOC there have been fluctuations from year to year.

(c) During 1966, if the loss of retail outlets to Caltex is not reckoned, IOC put up almost 92% of the new outlets.

(d) As on 1-1-62 and as on 1-1-67, the company-wise share in the total retail outlets was as follows :—

	1-1-1962						1-1-1967	
							(Percentage to total)	
Burmah-Shell	50.41	43.26
Esso	24.81	22.36
Caltex	20.37	17.05
IOC	0.02	13.10
IBP	3.00	2.75
AOC	1.39	1.48

3.5 Trends in lone MS and HSD outlets.—In most cases, the installation of a MS pump at a lone HSD outlet and vice versa, improves the utilisation of the outlet, with only a marginal increase in the capital outlay. The Committee studied the trends in this regard and noticed that there is a definite tendency for the lone MS outlets to be progressively converted into combined MS and HSD outlets. Between 1-1-62 and 1-1-67, the position has been as under :—

As on		Lone MS	Lone HSD
1-1-62	.	823	402
1-1-63	.	758	418
1-1-64	.	700	467
1-1-65	.	662	520
1-1-66	.	651	573
1-1-67	.	612	603
Variation in 1967 over 1962	.	Actual %age — 211 (—) 25.64	+201 +50%

3.6 The above table will show that the trends noticed in respect of the lone MS outlets are not so distinct when it comes to lone HSD outlets. This is partly due to the fact that the regulations governing the storage and the sale of MS, are relatively more stringent than for the sale of HSD, and partly due to the fact that in many of the areas there is hardly any sale of MS to justify even the marginal increase in investment on a tank and pump for the exclusive sale of MS.

3.7 As for future, it is the Committee's estimate that the trends noticed in the last five years may continue in the case of HSD but not so in the case of MS. This is because a large number of areas in the cities are being progressively closed for the passage of trucks and other heavy vehicles which run on HSD. Motor cars using HSD are very few in number and are almost exclusively found in the metropolitan cities.

3.8 Lone MS and lone HSD retail outlets form a very small percentage to the total retail outlets in the country. As on 1-1-1967, the position was as under :—

		% to total
(a) Total retail outlets in India	7,988	100·0
(b) Lone MS outlets	612	7·7
(c) Lone HSD outlets	603	7·5
(d) MS and HSD combined	6,773	84·8

3.9 **Provision of servicing and repair facilities.**—The Committee also noted a welcome increase in servicing and repair facilities at Retail Outlets over the years, as is illustrated by the following figures :—

	Service Stations only	Service Stations with minor repair facilities	Service Stations with major repair faci- lities	Total with ser- vice sta- tions/ repair facilities
as at 1-1-62	557	346	116	1019
as at 1-1-67	667	624	220	1511

3.10 **Manner of operation.**—From the point of view of the management of a retail outlet, broadly there are four types of arrangements, as under :—

(i) *Company-owned and operated.*—Outlets of this type are fully financed and departmentally run by the oil companies. The number of such outlets is very few, and has varied between 3 and 6 for the oil companies as a whole. Only Esso and IOC have run such stations. The position of these outlets between these two oil companies, is given below:—

		Esso	IOC	Total
As on 1-1-62	.	3	..	3
1-1-63	.	3	1	4
1-1-64	.	3	2	5
1-1-65	.	4	2	6
1-1-66	.	4	2	6
1-1-67	.	4	1	5

(ii) *Company-owned dealer operated.*—Such outlets are owned and financed by the oil companies, but run by the dealers, who pay licence fees to the companies for running the outlets. While the proportion of such outlets to the total varies widely from one company to another, on the whole, this type accounts for more than half of the total outlets in India. The following table brings out the position:—

	Company—Owned Dealer Operated						
	Burmah-Shell	Esso	Caltex	IOC	IBP	AOC	Total
As on 1-1-62	2,198	662	367	..	99	42	3,368
% to Co.'s total	73.96	45.25	30.56	..	55.93	51.22	57.12
As on 1-1-63	2,286	722	414	..	105	42	3,569
% to Co.'s total	73.27	46.19	32.17	..	56.15	48.28	56.95
As on 1-1-64	2,410	760	460	9	105	40	3,784
% to Co.'s total	74.22	46.43	33.72	9.57	55.85	43.48	57.14
As on 1-1-65	2,400	792	490	28	115	44	3,869
% to Co.'s total	70.57	46.02	34.43	12.33	57.21	42.72	54.68
As on 1-1-66	2,477	846	527	81	133	45	4,109
% to Co.'s total	71.84	48.07	37.56	13.78	61.57	38.79	54.56
As on 1-1-67	2,505	865	531	106	138	45	4,190
% to Co.'s total	72.48	48.43	38.99	10.13	62.73	38.14	52.45

In terms of percentage as well as absolute numbers, as on 1-1-1967. Burmah-Shell had the biggest number of retail outlets under this arrangement, whereas IOC had the least.

(iii) *Company-leased dealer operated.*—From the point of view of management there is not much difference between the 'company owned dealer operated' and 'company leased dealer operated' outlets. Under this category, however, the investment on facilities is provided either by a third party or by the dealer who, in turn, leases the outlets to the company. Thereafter, the company appoints a dealer for running the outlet by levying a licence fee. The position regarding these outlets is shown in the table below :—

Company-leased Dealer Operated

	Burmah-Shell	Esso	Caltex	IOC	IBP	AOC	Total
As on 1-1-62	185	180	108	..	27	..	500
% to Co.'s total	6.22	12.30	8.99	..	15.25	..	8.48
As on 1-1-63	204	209	113	..	27	—	553
% to Co.'s total	6.54	13.37	8.78	..	14.44	..	8.82
As on 1-1-64	190	228	124	..	26	—	568
% to Co.'s total	5.85	13.93	9.09	..	13.83	..	8.58
As on 1-1-65	302	253	124	1	23	..	703
% to Co.'s total	8.88	14.70	8.71	0.44	11.44	—	9.93
As on 1-1-66	308	250	122	7	22	—	709
% to Co.'s total	8.93	14.20	8.70	1.19	10.19	—	9.41
As on 1-1-67	301	289	128	5	22	..	745
% to Co.'s total	8.71	16.18	9.40	0.48	10.00	..	9.33

Such outlets form just under 10 per cent of the total. Esso has the largest percentage, whereas IOC has the least.

(iv) *Dealer owned dealer operated.*—Under this arrangement, the entire financing is done by the dealer. The oil companies merely provide the tank and pump, as in other cases. For the

latter, they normally recover a nominal rental of Re. 1 per month per pump and tank. The position of these outlets is indicated in the following table :—

Dealer owned and operated

	Burmah-Shell	Esso	Caltex	IOC	IBP	AOC	Total
As on 1-1-62	589	618	726	1	51	40	2,025
% to Co.'s total	19.82	42.24	60.45	100	28.81	48.78	34.35
As on 1-1-63	630	629	760	22	55	45	2,141
% to Co.'s total	20.19	40.24	59.05	95.65	29.41	51.72	34.16
As on 1-1-64	647	646	780	83	57	52	2,265
% to Co.'s total	19.93	39.46	57.18	88.30	30.32	56.52	34.20
As on 1-1-65	699	672	809	196	63	59	2,498
% to Co.'s total	20.55	39.05	56.85	86.34	31.34	57.28	35.30
As on 1-1-66	663	660	754	498	61	71	2,707
% to Co.'s total	19.23	37.50	53.74	84.69	28.24	61.21	35.94
As on 1-1-67	650	628	703	934	60	73	3,048
% to Co.'s total	18.81	35.16	51.62	89.29	27.27	61.86	38.16

It will be seen that a little over one third of the outlets are under this arrangement, with IOC having almost 9 out of every 10 outlets on this basis.

3.11 Sale of Spares etc.—Almost all of the outlets have these facilities. Some in addition, also provide facilities for battery charging, tyre and tube repairs, tyre retreading etc.

3.12 Hours of operation.—The retail outlets function round the clock except in certain remote areas of Assam, where arrangements exist for the night watchman to go and fetch the attendant for servicing any odd customer, who may turn up during the night hours.

3.13 Financial arrangements.—Broadly speaking, there are three types of financial arrangements :—

- (a) The capital requirements are financed by the company and the working capital & other requirements by the dealer.
- (b) The capital investment is shared between the oil company and the dealer. Normally, such an arrangement provides for the oil company investing on the drive-way, servicing equipment, immovable facilities, like washing ramps, etc. Working capital is provided by the dealer.

(c) Where the entire investment is made by the dealer, except for the pump and tank. The oil companies provide the pump and tank at all types of outlets, and recover therefor a nominal rental of Re. 1 per tank and pump per month. This arrangement is broadly of three types :—

- (i) Financed by outside parties and leased to the company for being given to the dealer ;
- (ii) Financed by the dealers and leased to the company ;
- (iii) Financed by dealers and not leased to the company.

3.14 The company-wise break-down for these three types of arrangements is indicated in annexure-2. A study of this annexure shows that taking the industry position, the percentage of each group to the total as on 1-1-62 and as on 1-1-67 was as under :—

Date	Wholly financed by company (% to total)	Partly financed by company (% to total)	Financed by outside parties (% to total)
1-1-62	3,371 (57.17)	228 (3.87)	2,297 (38.96)
1-1-67	4,196 (52.53)	381 (4.77)	3,411 (42.70)

3.15 Company-wise, Burmah-Shell has almost three out of its four retail outlets wholly financed by the company. Esso's proportion for such outlets is just under 50% and Caltex, a little over one third. Both in the case of Esso and Caltex, the percentage of such retail outlets has been going up. IOC has financed barely 1 retail outlet out of 10. IBP is close to Burmah-Shell and as on 1-1-67, almost 2 out of every three retail outlets were wholly company-financed, the position having progressively improved. AOC started with 51.22% of the retail outlets wholly financed by the company, but steadily dropped to 38.14%. The industry position has progressively come down from 57.17% to 52.53%.

3.16 As for the retail outlets partly financed by the companies, only Burmah-Shell, Caltex, and IBP have this arrangement. IBP seems to have the lead in this group of outlets with the actual position from year to year varying around 30%. Burmah-Shell started with 5.25%, but improved to 8.65% Caltex has been steady at around 1.5%.

3.17 In regard to the outlets fully financed by outside parties, the proportion of Burmah-Shell, Esso, Caltex and IBP has been coming down whereas that of AOC has been going up. IOC has maintained a proportion around 90%. On the whole, the percentage of outlets in this group has steadily improved from 38.96% as on 1-1-62 to 42.7% as on 1st January, 1967.

3.18 Parties operating chain of outlets.—The Committee went into this question to see if there was any concentration of retail outlets with, one or more parties. Based on the information given by the oil companies the position is indicated in the table below :—

Company	No. of dealers owning 5 or more retail outlets with dealers as per col. 2	Average number of outlets retail with any dealer	Maximum number of outlets with any dealer	Total no. of outlets with dealers as per col. 2	%age of retail outlets as per col. 2 to the total no. of retail outlets with the co. as on 1-1-66
1	2	3	4	5	6
Burmah-Shell	40	6.4	11	256	1.16
Esso	11	6.1	14	72	0.63
Caltex	1	14.0	14	14	0.07
IOC	1	7.0	7	7	0.1
IBP	1	6	6	6	0.5
AOC	5	7	10	35	30.2

3.19 It will be seen that a very small percentage of retail outlets are in the hands of parties operating 5 or more retail outlets. In the case of Burmah-Shell, the number of retail outlets under this category were 1.16%. In the case of other oil companies, excluding the AOC, such numbers are well below one per cent. The position in the case of AOC, however, is somewhat different, 30.2% of their retail outlets being in the hands of parties having 5 or more retail outlets. The answer to this lies in the difficult conditions obtaining in the area and in many cases, the existing dealers have to be persuaded to extend the scope of their activity. Even so, only 5 dealers held 5 or more retail outlets and the maximum with anyone party was 10 outlets, the average being 7 outlets for each of such dealers.

3.20 Another conclusion that emerges from the study of this table is that the maximum number of retail outlets that any single party has does not exceed 14 in the case of Esso and Caltex, 11 in the case of Burmah-Shell, 10 in the case of AOC, 7 in the case of IOC and 6 in the case of IBP. It will, therefore, appear that there is no evidence to show any concentration of retail outlets in the hands of a few dealers. The Committee has, however, not made any detailed investigation in this

matter, and it may be that some parties may be having retail outlets under different names. This study also excludes cases where a party operates retail outlets of 2 or more oil companies. The oil companies have stated that while the prevalence of such practices cannot be ruled out, it is not of a magnitude so as to call for a detailed scrutiny.

3.21 Retail outlets' dealers also agents for the other oil products.—The Committee also obtained data to see the extent upto which the oil companies' kerosene, and LDO dealers operate retail outlets. The details as furnished by the oil companies, are indicated in the following table :—

Company	No. of Retail Outlets operated by kerosene dealers		No. of Retail Outlets operated by LDO dealers	
	Number	% to total on 1-1-66	Number	% to total on 1-1-66
Burmah-Shell	750	22%	740	21%
Esso	376	21%	376	21%
Caltex	380	27%	291	21%
IOC	279	47%	279	47%
IBP	31	14%	33	15%
AOC	NA	NA	NA	NA

3.22 It will be seen that the percentage of retail outlets operated by the kerosene and the LDO dealers is fairly high, especially in the case of the IOC. Since this subject is not within the purview of the Committee's terms of reference, it has not been considered beyond the stage of obtaining and tabulating the data.

CHAPTER IV

INVESTMENT ON RETAIL OUTLETS

4.1 Total investment on retail outlets.—While the Committee has been able to obtain very precise information regarding the numbers, types and other details of the retail outlets, not so in the case of investments. It was pointed out by the oil companies that not much use could be made of the investment figures available with them, on account of the following reasons :—

- (a) The investment on retail outlets is not made by the oil companies alone. It is also made by the dealers and in a few cases even by some outside parties. The extent of the dealers' investment can be judged from the fact that 42.7% of all the retail outlets are dealer financed and operated. Therefore, in the absence of detailed field investigations, it will be impossible to have any clear idea of the total investment on retail outlets.
- (b) The investment made by the oil companies on retail outlets, also includes the expenditure on modernization of facilities, replacement of fixtures and fittings, resiting of outlets, etc.
- (c) Investment figures of one oil company cannot be compared with that of another oil company without giving specific weightage to some very important factors like the percentage of company financed outlets to total, the percentage of partly company financed outlets to total, the location of outlets with reference to whether there are more outlets in more important towns where land and construction costs are high, the date of entry in the field etc. Each one of these factors has a significant bearing on the size of investments.
- (d) Percentage of service stations to filling stations with each company and the standard and extent of facilities provided at the filling as well as filling-cum-service stations, and other such factors.

4.2 Comparison of investment.—The following table gives the comparative position as on 1-1-1962 and as on 1-1-1967 of total investment on retail outlets, the number of retail outlets in operation, and the company-wise percentage of outlets wholly financed by the companies, partly financed by the companies and fully financed by the dealers :—

<i>No. of Retail Outlets as on</i>		B.	ESSO	CTX	IOC	IBP	AOC	TOTAL
		SHELL						
1-1-1962	:	2972	1463	1201	1	177	82	5896
% to total	:	50.41	24.81	20.37	0.02	3.00	1.39	100
1-1-1967	:	3456	1786	1362	1046	220	118	7988
% to total	:	43.26	22.36	17.05	13.09	2.75	1.48	100

Investment on Retail Outlets (Rs. in lakhs)

1-1-1962	571.00	432.78	347.83	0.12	33.40	15.00	1400.13
% to total	40.79	30.93	24.84	..	2.36	1.07	100
Investment per R/O	0.19	0.30	0.29	0.12	0.19	0.18	0.24
1-1-1967	1018.00	829.00	503.25	319.20	72.00	39.00	2780.45
% to total	36.61	29.82	18.10	11.48	2.59	1.40	100
Investment per R/O	0.29	0.46	0.37	0.30	0.33	0.33	0.35

Percentage of wholly company financed R/Os.

1-1-1962	2198	665	367	..	99	42	3371
% to Co's total	73.96	45.45	30.56	..	55.93	51.22	57.17
1-1-1967	2505	869	531	107	139	45	4196
% to Co's total	72.48	48.66	38.99	10.23	63.18	38.14	52.53

Percentage of partly company financed R/Os.

1-1-1962	156	..	18	..	54	..	228
% to Co's total	5.25	..	1.50	..	30.51	..	3.87
1-1-1967	299	..	19	..	63	..	381
% to Co's total	8.65	..	1.40	..	28.64	..	4.77

Percentage of outside financed outlets

1-1-1962	618	798	816	1	24	40	2297
% to Co's total	20.79	54.55	67.94	100	13.56	48.78	38.96
1-1-1967	652	917	812	939	18	73	3411
% to Co's total	18.87	51.34	59.62	89.77	8.18	61.86	42.70

4.3 The company-wise information regarding total investments has limited application and even where it is used, there is need to give due weightage to the many factors that distinguish one company's investment from another's and even the same company's investment from location to location and from year to year.

4.4 **Present day costs.**—Efforts were made to establish a fair estimate of the present day costs and how these are shared between the companies and the dealers under the various types of financial arrangements. Here again, there are far too many local and other factors, which make it difficult to work out any representative average cost or a reasonable range. Variations in the cost estimates given by the oil companies, ranged between Rs. 50,000 and Rs. 137,000. Even in these estimates, the cost of land and earth work, and transportation charge of the equipment, were not included.

4.5 Burmah-Shell had this to say on the subject :—

“There can be no standard cost for putting up retail outlets. The cost will vary considerably with the number/nature/lay out of the facilities to be installed. the dimensions of the site, the availability of building materials locally etc.”

4.6 The replies from the other oil companies support this stand. A good site may sometimes require filling up to a depth of 15 to 20 ft. Land costs and rentals fluctuate widely in the same city, not to speak of the variations between one city and another. Even so the Committee requested the oil companies to give the actual cost of installing retail outlets in the last 3 years in the metropolitan cities, the 26 selected towns and in the rest of the area. From the gist of the information supplied by the oil companies, the following picture emerges:—

Cost of providing retail outlets in various areas based on the actual cost to the oil companies during the years 1964 to 1966

(In Rupees)

	Filling stations		Service stations		% of R/Os to all India as on 1-1-67	
	Min- imum	Maxi- mum	Min- imum	Maxi- mum	M.S.	H.S.D.
The Metropolitan cities	40,950	70,500	113,800	199,990	10.38	7.50
26 selected towns	33,100	124,800	54,000	140,000	12.52	11.16
Rest of the area	23,200	150,000	55,000	139,200	77.19	81.34

4.7 The table below indicates company-wise for 1962 and 1966 the average value of fixed assets, the book value of the investment on retail outlets and the percentage of investment on retail outlets to total. It will be seen that retail outlets constitute a substantial percentage of the marketing assets of the oil companies.

(Figures in lakhs)

COMPANY	1962			1966		
	Average value of fixed assets	Book value of retail outlets	% of investment on retail outlets to total	Average value of fixed assets	Book value of retail outlets	% of investment on retail outlets to total
B. Shell	1,159	571	49.27	1,503	958	63.74
Esso	727	432	59.42	1,230	789	64.15
Caltex	633	347	54.82	647	515	79.60
IOC	98	0.12	0.12	1,371	141	10.28
IBP	56	33	58.93	69	60	86.96
AOC	41	15	36.59	72	33	45.83
TOTAL	2714	1398.12	51.51	4,892	2496	51.02

4.8 The foreign exchange component.—Dispensing pumps in India are made by the following three firms :

- (a) M/s. Larsen & Toubro
- (b) M/s. Tahira Industries
- (c) M/s. Midco Wayne

The above firms have indicated the following foreign exchange cost for the imported components (clock assembly and other small accessories):

	Rs./Per pump
Larsen & Toubro	780.00
Tahira Industries	1246.53
Midco Wayne	939.41

These three companies have stated that the import content in the pumps has been progressively coming down. They expect that with the development of indigenous substitutes, in due course, it may be possible to dispense with imported components altogether.

4.9 Considering that a retail outlet, even with the barest minimum facilities, i.e, pump, tank, driveway and kiosk, costs nothing less than Rs. 30,000, the total foreign exchange component is not of an order which may warrant any specific restrictions by itself. In view of this, the Committee has not favoured any regulation on future growth merely on this score. The Committee would, however, urge that the Government seriously take up the matter of developing indigenous capacity to wholly do away with the imported components.

4.10 Estimate of returns to the oil companies.—In their replies to the questionnaire, the oil companies stated that it is not possible to precisely determine the economic viability of individual retail outlets. On what constitutes a fair return on investments on retail outlets, to the dealers, the oil companies advised that the return to a dealer will vary from one retail outlet to another, depending upon his own initiative, hardwork and alternative opportunity available to him for investment etc.

4.11 The reply given by Burmah-Shell in this connection is reproduced below :

“As a broad guideline, we compare the estimated cost/K1 of retail outlet proposals with our average for the area. However, in addition to direct investments on retail outlets, large supporting investments are made on depots, installations, transport facilities etc., for making the products available at retail outlets for sale to consumers. Secondly, expenses of considerable magnitude are incurred at various points of distribution and administration, such as installations, depots, Divisional Office, Branch Offices, etc., before the products are delivered at the retail outlets “Although some items of costs namely C.I.F.

costs of products, statutory levies, rail freight etc., can be accurately determined for any class of trade, many other items of expenditure are not specifically identifiable with a particular class of trade. These are costs common to all categories of trade.

"In order to determine the net profit realised on any class of trade, such as retail, it will be necessary to apportion to it such expenses as are not specifically identifiable with any specific category of trade. This allocation can be done only on an arbitrary basis.

"To illustrate the point, the salaries paid to staff at a particular installation may be considered. The staff of the installation are responsible for handling all products passing through the installation. They cover a variety of products and sales are made from the installation, to all categories of consumers located near the main port where the installation is situated. Further, distribution of products to depots situated within the supply area of the installation is also carried out from this unit.

"To establish the share applicable to each category of trade, different methods of allocating the expenditure can be used such as sales volume, throughput, gross sales proceeds, net proceeds etc. The results obtained will materially differ from one to another. For example, in the case of salaries paid to staff at installations, the share chargeable say, to sales ex-retail outlets, based on sales volume will differ appreciably from the share determined on the basis of sales proceeds. However, both methods of allocation can be considered equitable for arriving at the share applicable to this category of trade.

"Consequently, the net trading margin realised on any class of trade will also differ materially depending on the methods adopted for apportioning the common categories of expenses. In view of these, it will be difficult, in our opinion to establish with any degree of accuracy the net trading margin realised exclusively on any 'class of trade.'

"Similar problems are also encountered in assessing the capital investment applicable to any class of trade.

"In view of the difficulties explained above, it is not the practice of the company to establish a 'net margin' realised exclusively on any class of trade. It is, therefore, not possible to give any indication as to what the rate of return is or what a reasonable rate of return should be on the capital directly invested in retail outlet facilities."

4.12 The other companies have given more or less similar replies.

4.13 Levy of Licence Fees.—Apart from the WGOP margins that oil companies derive on the sale of MS and HSD through retail outlets, the oil companies are also permitted to recover lease/rental, wherever necessary, and licence fee. Lease and rental charges are generally the same as the companies pay to the owner of the land. As for the licence fees, there is no uniformity in the levy. Following are the extracts of the replies given by the oil companies on the subject :—

Burmah-Shell.—Licence Fee recovery varies from dealer to dealer and outlet to outlet depending upon the investment facilities, site rent, sales etc. In the case of dealer controlled sites only a nominal rent is recovered towards the provision of pumps/tanks.

Esso.—Licence Fees are recovered from dealers, who operate company owned and company leased station. No licence fees are recovered from dealer-owned outlets, except a token rental for pump and tank, mainly to establish our ownership of equipment (pumps/tanks). One of the primary considerations for determination of Licence Fees is dealer profitability. The concept of fixing Licence Fees is uniform to the extent of relating it to dealer profitability. However, since dealer profitability is related to trading area potential, buying habits of the people within the trading area etc., Licence Fee varies from dealer to dealer.

Caltex.—We do not have a uniform formula for the Licence Fee recoveries, as a number of variable factors have to be taken into consideration while determining licence fee recoveries. Consequently, it will vary from outlet to outlet, market to market, investment facilities, site rentals, sales volume, etc.

I.O.C.—Dealers operating Corporation owned and Corporation leased outlets pay to the Corporation licence fee determined on the basis of their profitability in the area. The principle of fixing licence fee is uniform in so far as its relationship to dealer profitability is concerned. It, however, varies from dealer to dealer and location to location, since the dealers' profitability is related to the potential in the area, the facilities available at the outlet and the dealer's initiative and hardwork.

I.B.P.—It is difficult to give you exact figures of licence fee recoveries from dealers when such a large variation of costs, trade and profits is evident from our answers to your earlier questions. These are largely again based on the experience that our staff have obtained in the evaluation of what is possibly recoverable from dealers and is subject to periodical review.

A.O.C.—Licence Fee recovery varies from dealer to dealer depending on our investment and the dealers' capacity to pay. taking into account investment, facilities, site rents, sales, etc., and involves bargaining.

4.14 The oil companies were also asked to indicate if they could consider relating the licence fee in terms of sale per kilolitre of fuel. They, however, did not consider such an arrangement to be feasible.

4.15 The Committee studied the problem of licence fee levy, essentially on account of the representation made to it by the Federation of All India Petroleum Traders, in reply to the Committee's questionnaire on the subject. The Federation, *inter alia*, observed that the recovery of licence fees from dealers by the oil companies varied from dealer to dealer and there seemed to be no uniform formula for such recoveries. It was further pointed out that licence fee recovery varied from area to area even for the same company and was largely a matter of discretion of the company concerned.

4.16 Since, however, this subject is outside the scope of the Committee's terms of reference, no further comment is made except to state that probably the next price fixation committee might go into this in greater detail.



CHAPTER V

THROUGHPUTS OF RETAIL OUTLETS

5.1 Retail sale vis-a-vis total sale.—As the terms itself clearly brings out, retail outlets are for retail sale through pumps, as distinct from direct sale to consumers, or packed sale through dealers etc. in containers. While bulk of the MS sale is through retail outlets, the position is not so in the case of HSD. The proportion of sale through retail outlets to total sale in the last five years, has been as under :—

Motor Spirit

(Figures in tonnes)

Year	Total Sale	Sale through Retail Outlets	% of sale thro- ugh ROs to total sales
1962	907,588	754,600	83.14
1963	962,716	760,600	79.01
1964	1000,417	799,000	79.87
1965	1093,263	863,700	79.00
1966	1115,998	927,300	83.09

High Speed Diesel Oil

(Figures in 000 tonnes)

1962	1631.9	1061.1	65.02
1963	1866.8	1157.5	62.00
1964	2032.9	1181.0	58.09
1965	2327.0	1272.8	54.70
1966	2591.2	1481.7	57.18

5.2 The above figures bring out that 4 litres of MS out of every 5, are sold in the market through retail outlets. The balance 20% represents mostly the requirements of larger consumers, who take the product in bulk through consumer outlets, i.e., through pumps installed in the premises of the consumers, for their exclusive use.

5.3 For HSD, almost half the total sales are to the bulk consumers. The figures also show a progressive trend towards increased bulk sales. This is not unusual as the Railways, road transport undertakings, etc., prefer to buy HSD in bulk. The marginal reversal of trends in 1966 compared to 1965 need not be any pointer to the future trends. With the very high priority being given to the agricultural sector, there

may be a further increase in the sale of HSD for agricultural purposes through consumer outlets or in containers. Consumer outlets are ideally suited for the needs of the agriculturists, as the demand is not concentrated and the convenience of individual farmers can be better served through consumer outlets.

5.4 The company-wise proportion of sale through retail outlets to total sales need not be a rigid factor. It can vary from company to company and for the same company from year to year, as the arrangements for bulk sale are generally subject to contracts through tenders, negotiations, etc., at fixed intervals. The position for the major oil companies is shown below in the following table :—

Year	MS in tonnes			HSD in tonnes			% of bulk to total
	Total Sale	Bulk Sale	% of bulk to total	Total Sale	Bulk Sale	% of bulk to total	
<i>Burmah-Shell</i>							
1962 . . .	411576	61176	14.86	699588	177188	25.33	
1963 . . .	423957	73657	17.37	746695	184995	24.78	
1964 . . .	430721	60251	14.05	766016	196515	25.65	
1965 . . .	459112	60712	13.22	780516	200616	25.70	
1966 . . .	461165	37665	8.17	798369	142869	17.90	
<i>Esso</i>							
1962 . . .	228766	26666	11.16	403322	122722	30.43	
1963 . . .	237903	35103	14.76	419344	103844	25.84	
1964 . . .	244464	41664	14.76	409608	103108	25.17	
1965 . . .	257980	33280	12.90	401207	102007	25.43	
1966 . . .	259079	24679	9.52	400699	73499	18.34	
<i>Caltex</i>							
1962 . . .	172936	28236	16.33	311321	84121	27.02	
1963 . . .	174297	27097	15.55	327800	82400	25.14	
1964 . . .	174532	24032	13.77	320012	74512	23.28	
1965 . . .	181221	21621	11.30	296285	55785	18.83	
1966 . . .	170566	13366	7.84	287549	39949	13.89	
<i>IOC</i>							
1962 . . .	4359	4159	95.41	141707	140707	99.29	
1963 . . .	31115	27415	88.11	306410	300110	97.94	
1964 . . .	61384	50584	82.41	460176	439376	95.48	
1965 . . .	104070	79170	76.07	762270	654870	85.92	
1966 . . .	141541	85541	60.44	1027407	827607	80.55	

5.5 Over the years, the bulk sales of Burmah-Shell, Esso and Caltex have come down. Correspondingly, the bulk sales of IOC have up though the percentage of bulk sales to total has been coming down, owing to its retail sale having grown at a relatively faster rate than its bulk sale. Despite this, IOC's bulk sales to total, particularly for HSD, were 80.55% in 1966.

5.6 Region-wise distribution of demand.—The demand for MS is concentrated in the cities. The metropolitan cities alone account for almost 30% of the total MS retail sale. If the 26 selected towns are also taken together, then just under half of the total MS sale is in these 30 cities. The HSD retail sale on the other hand is more in the area outside these 30 cities. The metropolitan cities account for barely 10% of the total HSD retail sale. The position during 1962 and 1966 is shown below :—

(Figures in '000 tonnes)

	Metro- politan cities (Group 'A')	26 select- ed towns (Group 'B')	Rest of the area (Group 'C')	Total sale through R/Os (Group 'D')
MS RETAIL SALE				
1962	222.2	102.0	430.4	754.6
% to total	29.45	13.52	57.03	100
1966	276.6	139.3	511.2	927.1
% to total	29.83	15.03	55.14	100
Increase in 1966 over 1962 } Actual	54.4	37.3	80.8	172.5
%age	24.48	36.57	18.77	22.86
HSD RETAIL SALE				
1962	114.3	125.3	821.3	1060.9
% to total	10.77	11.81	77.42	100
1966	143.7	182.7	1155.0	1481.4
% to total	9.70	12.33	77.97	100
Increase in 1966 over 1962 } Actual	29.4	57.4	333.7	420.5
%age	25.72	45.81	40.63	39.64

5.7 Not only are the MS sales concentrated in Groups 'A' and 'B', the percentage increase between 1962 and 1966 in these two areas is well ahead of the increase for the country.

5.8 For HSD, Groups 'A' and 'B' together represent 1/5th of the total sales, the remaining sales being confined to Group 'C'. The growth rate in Group 'A' has been less than for the country as a whole (Group 'D'). In Group 'B', however, the growth rate has been fairly good, though these trends may not continue, on account of the increasing restrictions on the parking and movement of heavy vehicles in larger cities.

5.9 Company-wise and Group-wise pattern of increase and average throughputs.—The Committee has tabulated company-wise and area-wise details of number of retail outlets and the average throughputs, in 34 annexures number 3(1) to 3(34) as under :—

		No. of Appendices
Group 'A' .	(a) One statement each for the 4 metropolitan cities.	4 statements 3(1) to 3(4)
	(b) A consolidated summary of the 4 statements referred to in (a) above.	1 statement 3(5)
	(c) One statement each for the 26 selected towns	26 statements 3(6) to 3(31)
Group 'B' .	(d) A consolidated summary of 26 statements referred to in (c) above.	1 statement 3(32)
	(e) A statement for the rest of the area not covered by the 4 metropolitan and the 26 selected towns.	1 statement 3(33)
Group 'D' .	(f) An All-India summary . . .	1 statement 3(34)
		<u><u>TOTAL</u></u>
		<u><u>34 statements</u></u>

5.10 The number of the retail outlets operating during the year has been calculated by taking the mean of the number operating on the first day of the year, and that operating on the last day of the year, so as to obtain the average number of outlets operating during the year.

5.11 Group 'A' position.—Taking the industry position in this group i.e. the 4 metropolitan cities, following conclusions emerge:—

- (a) Between 1962 and 1966, the MS outlets increased by 147, i.e. 24.5%, sales increased by 23.7% but the average throughput per outlet per month came down marginally from 44.04 kls to 43.74 kls.
- (b) HSD outlets increased by 138, i.e. 34.4 per cent, sales increased by 27.6% and the average throughput came down from 28.91 kls. to 27.44 kls i.e. by 5.1%.
- (c) City-wise, Bombay's average throughputs for both the products improved, Calcutta's average for MS fell, while that of HSD improved, Delhi's position was just the reverse with MS throughputs declining, Madras registered an all round substantial deterioration, with the average MS throughput declining by 17.9% and that for HSD declining by 28.2%.
- (d) In the case of Madras, even though the total HSD sale through outlets came down from 29,730 Kls in 1962 to 27,748 Kls in 1966, i.e. 6.7%, the number of HSD outlets increased by 19, or 30.2%.

5.12 Group 'B' 26 selected towns.—These towns were selected out of those with a population of 2 lakhs and above. In doing so, due regard was given to the volume of demand. During the five-year period under study, the following picture emerges :—

- (a) The number of MS outlets in this group increased by 207, i.e. 29.9 per cent; sale of MS increased by 36.3%; and the average throughput went up from 17.51 Kls to 18.38 Kls, i.e. 5%.
- (b) HSD outlets increased by 201, i.e. 33.6%; the sale increased by 45.02 per cent; and the average throughput went up from 21.2 Kls to 23.02 Kls, i.e. 8.6%.
- (c) The position in this group varied widely from town to town, the average throughput for MS being as high as 34 Kls for Baroda and as low as 10 Kls for Jabalpur. For HSD, the throughput varied even more widely, being 43 Kls for Madurai and 10 Kls for Trivandrum.
- (d) Company-wise details for each of these towns can be seen in annexures 3(6) to 3(31), and for the group as a whole in annexure 3(32).

5.13 Group C Rest of the area.—This group comprises of the rest of the area, i.e. the country as a whole minus the 4 metropolitan cities (Group A) and the 26 selected towns (Group B). During the 5-year period under study, the MS outlets in this group increased by 25.31% and the sale by 19.3%. As a result, the average throughput fell from 11.55 Kls to 11.00 Kls, a drop of 4.76%. The HSD retail outlets increased by 33.25%; the sale by 40.41% and the average throughput from 18.97 Kls to 20.00 Kls i.e. 5.43%. The average throughputs for both the products, and particularly for MS, were very much lower for Group 'C' than for the Group 'A' and 'B', as can be seen from the following figures :—

Year	MS			HSD		
	Group A	Group B	Group C	Group A	Group B	Group C
1962 . . .	44.04	17.51	11.55	28.91	21.20	18.97
1966 . . .	43.74	18.38	11.00	27.44	23.02	20.00

5.14 Group D All India Position.—As against an average of 5,722 MS retail outlets functioning during 1962, the outlets functioning during 1966 totalled 7197, an increase of 25.78%. The MS sale through these outlets increased from 1.08 million Kls in 1962 to 1.32 million Kls in 1966, an increase of 22.88%. During the same period the average throughput per retail outlet fell from 15.68 Kls to 15.32 Kls, i.e. by 2.3%. The number of HSD outlets increased from 5,388 in 1962

to 7,186 in 1966, an increase of 33.37%. During the same period, HSD sales through these outlets increased from 1.29 million Kls to 1.80 million Kls, an increase of 39.64%, and average throughput marginally increased from 19.96 Kls to 20.89 Kls, an increase of 4.66%.

5.15 Company-wise study.—The company-wise performance for each of the Groups 'A' to 'D' is briefly indicated below :—

5.15 Burmah-Shell.—(Please also see Annexure 4).

	MOTOR SPIRIT				HIGH SPEED DIESEL OIL			
	Company's Position		Industry Position		Company's Position		Industry Position	
	No. of R/Os	Average throughput	No. of R/Os	Average throughput	No. of R/Os	Average throughput	No. of R/Os	Average throughput
Bombay								
1962	95	63	192	63	66	32	128	28
1966	98	65	215	67	71	35	151	29
Calcutta								
1962	78	35	173	37	52	13	118	13
1966	90	40	229	36	71	14	178	15
Delhi								
1962	61	44	130	39	45	47	92	44
1966	60	51	160	42	46	45	128	42
Madras								
1962	46	28	105	28	28	56	63	39
1966	66	21	143	23	46	28	82	28
Group 'A' total								
1962	280	45	600	44.04	191	34	401	28.91
1966	314	46	747	43.74	234	30	539	27.44
Group 'B'								
1962	315	17.71	692	17.51	271	22.57	599	21.20
1966	403	19.35	899	18.38	351	24.24	800	23.02
Group 'C'								
1962	2213	10.57	4430	11.55	2208	18.28	4388	18.97
1966	2513	11.18	5551	11.00	2590	19.69	5847	20.00
Group 'D'								
1962	2808	14.84	5722	15.68	2670	19.82	5388	19.96
1966	3230	15.59	7197	15.32	3175	20.92	7186	20.89

In Group 'A', for MS, Burmah-Shell slightly improved its average throughput, despite an increase of 34 retail outlets between 1962 to 1966. Its average throughputs were better than the industry average for this Group. City-wise, Burmah-Shell kept up the trend in improving throughputs in Bombay, Calcutta and Delhi. At Calcutta and Delhi, Burmah-Shell's throughputs were better than the industry averages, but were marginally lower at Bombay. In the case of Madras, the average through put of Burmah-Shell dropped from 28 kls to 21 kls i.e. by 25%. In 1966, it was also lower than the industry's average throughput.

For HSD, Burmah-Shell put up 43 additional outlets in this Group. Its average throughput came down from 34 kls to 30 kls—a drop of 11.8% compared to the industry's drop in average throughput of 5.1%. Even so, Burmah-Shell's average throughput was higher than the Industry's. City-wise, Burmah-Shell's throughput improved in Bombay and Calcutta, dropped by 4.3% in Delhi and dropped by 50% in Madras. In 1966, its average throughputs were higher than the industry average in Bombay and Delhi, marginally lower in Calcutta and the same as the industry average in Madras.

In Group 'C', Burmah-Shell improved its average throughput for both the products. Compared to the industry position, its average throughput was just above the average for MS, but just below the average for HSD.

Taking the country as a whole, Burmah-Shell's average throughputs marginally improved for both the products and were also just ahead of the industry averages.

5.16 Esso.—(Please also see Annexure 5.)

	MOTOR SPIRIT				HIGH SPEED DIESEL OIL			
	Company's Position		Industry Position		Company's Position		Industry Position	
	No. of Average R/Os	Through-put	No. of Average R/Os	Through-put	No. of Average R/Os	Through-put	No. of Average R/Os	Through-put
<i>Bombay</i>								
1962	51	75	192	63	34	24	128	28
1966	57	84	215	67	40	27	151	29
<i>Calcutta</i>								
1962	43	44	173	37	27	8	118	13
1966	58	43	229	36	45	14	178	15
<i>Delhi</i>								
1962	32	37	130	39	25	48	92	44
1966	35	42	160	42	28	52	128	42

MOTOR SPIRIT				HIGH SPEED DIESEL OIL					
Company's Position		Industry Position		Company's Position		Industry Position			
	No. of R/Os	Average Through-put		No. of R/Os	Average Through-put		No. of R/Os	Average Through-put	
<i>Madras</i>									
1962	.	37	27	105	28	23	29	63	39
1966	.	42	26	143	23	19	29	82	28
<i>Group A total</i>									
1962	.	163	49	600	440.4	109	27	401	28.91
1966	.	192	51	747	43.74	132	28	539	27.44
<i>Group B</i>									
1962	.	193	17.48	692	17.51	158	19.78	599	21.20
1966	.	224	19.45	899	18.38	190	20.08	800	23.02
<i>Group C</i>									
1962	.	1115	11.43	4430	11.55	1127	19.87	4388	18.97
1966	.	1264	10.86	5551	11.00	1317	19.47	5847	20.00
<i>Group D</i>									
1962	.	1471	16.33	5722	15.68	1394	20.40	5388	19.96
1966	.	1680	16.59	7197	15.32	1639	20.33	7186	20.89

In Group A, Esso's average throughput for MS improved. City-wise, Esso went well ahead of the industry average in Bombay. In Delhi, the throughput improved to industry's average. In Calcutta and Madras, despite a small drop, Esso's average throughput continued to be above that of the industry.

For HSD, for the Group as a whole, Esso marginally improved the throughput to move just ahead of the industry average. City-wise the position improved in Bombay, Calcutta and Delhi, but remained static in Madras. At Madras, it was sustained by a reduction of 4 outlets. Its average was lower than the industry average in Bombay and Calcutta, but substantially higher in Delhi and just above the industry average in Madras. In Group B, Esso improved its throughput in both the products. Its 1966 MS throughput was better than the industry average, but was lower for HSD. In Group C, Esso's average throughput fell and was below the industry average for both the products. For the country as a whole, Esso's average throughput for MS improved slightly, but there was a very small decline of 0.83% for HSD. The average throughput was higher than the industry average for MS, but lower for HSD.

5.17 Caltex.—(Please also see Annexure 6.)

	MOTOR SPIRIT				HIGH SPEED DIESEL OIL			
	Company		Industry		Company		Industry	
	R/Os	Through-put	R/Os	Through-put	R/Os	Through-put	R/Os	Through-put
Bombay								
1962	35	51	192	63	23	24	128	28
1966	37	63	215	67	26	26	151	29
Calcutta								
1962	28	33	173	37	15	17	118	13
1966	32	33	229	36	19	25	178	15
Delhi								
1962	28	31	130	39	16	35	92	44
1966	34	33	160	42	22	28	128	42
Madras								
1962	22	29	105	28	12	19	63	39
1966	26	29	143	23	14	26	82	28
Group A								
<i>Total</i>								
1962	113	37	600	44.04	66	24	401	28.91
1966	129	41	747	43.04	81	26	539	27.44
Group B								
1962	154	17.73	692	17.51	142	20.51	599	21.20
1966	174	18.87	899	18.38	162	21.27	800	23.02
Group C								
1962	900	11.41	4430	11.55	901	20.55	4388	18.97
1966	993	10.24	5551	11.00	1034	18.88	5847	20.00
Group D								
1962	1167	14.75	5722	15.68	1109	20.77	5388	19.96
1966	1296	14.42	7197	15.32	1277	19.65	7186	20.89

Even though the performance of Caltex for Group A improved for MS as well as for HSD, it was below the industry average for both these products. Same picture emerges in the city-wise study for Bombay (MS as well as HSD). In Calcutta, MS throughput remained stationary and below the industry average, but the HSD throughput improved by 47.1% thus forging ahead of the industry average. In Delhi, despite an improvement of 6.5%, the MS throughput remained below the industry average, and the HSD throughput dropped by 20% thus remaining well below the industry average. In Madras, Caltex managed to sustain

its throughput despite the industry's average for MS dropping by 17.9%. For HSD, Caltex improved by 36.8% despite a steep fall of 28.2% in the industry average.

In Group B, Caltex improved throughputs for both the products. For MS, the average was better than the industry performance, but for HSD, it was lower.

In Group C, for both the products, Caltex's throughput not only registered a decline but was also below the industry average.

Taking the country as a whole, the average throughputs for both the products declined and were also lower than the industry's average.

5.18 IOC.—(Please also see Annexure 7.)

	MOTOR SPIRIT				HIGH SPEED DIESEL OIL				
	Company's Position		Industry Position		Company's Position		Industry Position		
	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	
Bombay									
1962	.	..	192	63	..	..	128	28
1966	.	12	37	213	67	9	15	151	29
Calcutta									
1962	.	..	173	37	..	..	118	13
1966	.	25	11	229	36	28	11	178	15
Delhi									
1962	.	1	3	130	39	92	44
1966	.	21	31	160	42	24	37	128	42
Madras									
1962	.	..	105	28	..	..	63	39
1966	.	9	13	143	23	3	35	82	28
Group A Total									
1962	.	1	3	600	44.04	401	28.91
1966	.	67	22	747	43.74	64	23	539	27.44
Group B									
1962	.	1	1.08	692	17.51	2	0.66	599	21.20
1966	.	64	10.30	899	18.38	68	32.34	800	23.02
Group C									
1962	.	5	1.68	4,430	11.55	8	12.09	4,388	18.97
1966	.	517	8.74	5,551	11.03	661	25.10	5,847	20.00
Group D									
1962	.	7	1.77	5,772	15.68	10	9.81	5,388	19.96
1966	.	648	10.27	7,197	15.32	793	25.52	7,186	20.89

In Group A, IOC had only 1 MS outlet in 1962 and none for HSD. Its MS as well as HSD throughputs in 1966 were well below the industry averages though in each case there has been a steady improvement from year to year, except in the case of MS when there was a big drop in 1965 owing to a large number of additional outlets having been commissioned during that year. In 1966, however, the position was retrieved

to some extent. The city-wise position was much the same for Bombay, Calcutta and Delhi for MS and HSD, and in Madras for MS. HSD throughput in Madras improved substantially and in 1966 IOC was ahead of the industry average.

In Group B, though the MS throughput steadily improved, it remained below the industry average. For HSD, however, the improvement was sustained and substantial. As a result IOC's average throughput forged well ahead of the industry average.

In Group C, IOC's average MS throughputs have not been picking up, probably because bulk of the new outlets have been set up with an eye on the HSD trade. This is also evident from the fact that the HSD throughputs have been rising sharply and were well ahead of the industry average by 1965, though there is a decline in 1966. compared to 1965, due to the number of HSD outlets between these two years having increased by 122 per cent.

Taking the country as a whole, IOC's average throughput for MS, was about two-third of the industry's average. For HSD, however there has been a significant improvement and IOC's performance was not only above the industry average but was higher than that of any other oil company.

5.19 IBP.---(Please also see Annexure 8.)

	Company's Position		Industry Position		Company's Position		Industry Position		
	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	
Bombay									
1962	.	11	43	192	63	5	19	128	28
1966	.	11	42	215	67	5	18	151	29
Calcutta									
1962	.	24	33	173	37	24	13	118	13
1966	.	24	33	229	36	15	16	178	15
Delhi									
1962	.	8	45	130	39	6	33	92	44
1966	.	10	46	160	42	8	37	128	42
Madras									
1962	105	28	..	..	63	39
1966	143	23	..	..	82	28
Group A Total									
1962	.	43	37	600	44.04	35	18	401	28.91
1966	.	45	38	747	43.74	28	22	539	27.44
Group B									
1962	.	29	15.02	692	17.51	26	20.81	599	21.20
1966	.	34	12.36	899	18.38	29	15.39	800	23.02
Group C									
1962	.	115	11.39	4,430	11.55	126	11.14	4,388	18.97
1966	.	147	7.18	5,551	11.00	169	15.17	5,847	20.00
Group D									
1962	.	187	17.94	5,722	15.68	187	13.68	5,383	19.96
1966	.	226	14.11	7,197	15.32	226	16.07	7,186	20.89

IBP has no associated refinery of its own and obtains its requirements from Burmah-Shell. Some *ad hoc* arrangements are also made from time to time for obtaining supplies from the IOC. In Group 'A', IBP added only two retail outlets for MS and reduced its HSD outlets by 7. It maintained a steady throughput, which improved during the period, but was below the industry average for both the products.

In Group 'B', IBP's total sales for both the products as well as the average throughputs fell considerably, the fall in the latter being 17.7% for MS and 26.0% for HSD. As a result both the averages came down well below the industry's averages for this Group. Despite its total retail sale of both these products having come down (MS sales came down from 5227 Kls. in 1962 to 5044 Kls. in 1966—HSD sales came down from 6493 Kls in 1962 to 5354 Kls in 1966), in 1966 IBP had 5 additional outlets operating for MS and 3 additional outlets for HSD.

In Group 'C' also, IBP's average throughput for MS has sharply fallen by almost 37% from 11.39 Kls in 1962 to 7.18 Kls in 1966, and was well below the Group average. Even its overall volume of MS sales fell from 15,720 Kls in 1962 to 12,663 Kls in 1966. For HSD, however, the average throughput as well as the total sales improved the former from 11.14 Kls in 1962 to 15.17 Kls in 1966. Even so, the 1966 average throughput was well below the Group average.

In Group 'D', *i.e.* the country as a whole, the IBP's throughput went down by 21.3% and was in 1966 lower than the industry average. For HSD, there was an improvement from 13.68 Kls to 16.07 Kls, even so the throughput was below the industry average.

5.20 AOC.—(Please also see Annexure 9.)

	MOTOR SPIRIT				HIGH SPEED DIESEL OIL			
	Company's Position		Industry Position ¹		Company's Position		Industry Position	
	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put	No. of R/Os	Average Through-put
<i>Group 'C'</i>								
1962	.	.	82	42.23	4,430	11.55	18	25.63
1966	.	.	117	29.82	5,551	11.00	76	21.09
<i>Group 'D'</i>								
1962	.	.	82	42.23	5,722	15.68	18	25.63
1966	.	.	117	29.82	7,197	15.32	76	21.09

Since AOC operates in Assam only, it does not have any outlets in Groups A and B. For Group 'C' its average MS throughput sharply dropped, from 42.23 Kls in 1962 to 29.82 Kls in 1966, a drop of 29.3%. Even at this level, AOC's average throughput was almost thrice as high as the Group average. For HSD also, AOC's average throughput fell from 25.63 in 1962 to 21.09 in 1966, but managed to remain just ahead of the industry average.

Taking the country as a whole, AOC's MS as well as HSD throughputs were better than the industry averages. Particularly for MS, the ACC average throughput was almost twice the industry average. In fact, it was the highest compared to any other oil company. For HSD, AOC's average throughput was second only to IOC's average.

5.21 Broad conclusions.—Taking 1962 as the base, in 1966 the overall position neither deteriorated nor improved. In other words, the additional outlets kept pace with the increased sale and this maintained the 1966 average throughputs at the 1962 levels. Hence it could be concluded that the retail outlets commissioned between 1962 and 1966 have not been excessive.

5.22 In a number of areas, *e.g.*, Madras, Coimbatore, Tiruchirappalli and Varanasi, there is evidence of retail outlets having been put up in excess of the market requirements. Reverse is true in some other markets.

5.23 India's comparative throughputs with foreign countries.—The average throughput in India *vis-a-vis* the other countries, is indicated below :—

		(Figures in Kls)		
		M.S.	H.S.D.	M.S. & H.S.D. combined
India	15.32	20.89	33.4	
France	20	..	..
U. K.	26.25	..	..
Holland	17	..	..
Brazil	45.2	12.7	..	
Thailand	..	..	65.9	
Malaysia	68.1	40.9	..	
Australia	21.0	..	..
Japan	..	..	54.0	
Italy	18.4	10.0	..	

N.B. 1. Whatever figures could be obtained have been shown above. The other figures were not available.
 2. Figures for Holland, Brazil, Malaysia, Phillipines, Australia and Japan are for 1965. The figures for other countries are for 1966.
 3. The manner in which the combined MS and HSD throughput is calculated is shown in para 5.24.

5.24 How the combined MS/HSD throughput calculated for India.—
The combined MS and HSD throughput for India for 1966 has been compiled as under :—

(a) ROs operating on 1-1-66	.	.	.	.	7,531
(b) ROs operating on 1-1-67	.	.	.	.	7,988
(c) Total	.	.	.	.	15,519
(d) Average ROs operating in 1966	.	.	.	.	15,519
					<u><u>= 7,760</u></u>
(e) Total MS retail sale in 1966	.	.	.	.	13,23,156
(f) Total HSD retail sale in 1966	.	.	.	.	18,01,708
(g) Total	.	.	.	.	31,24,864
(h) Average per month	.	.	.	.	2,60,405
(i) Av. throughput per outlet/month	.	.	.	.	2,60,405
					<u><u>7,760</u></u>
					<u><u>= 33.4 Kls</u></u>

5.25 From the figures given in paragraph 5.23, it is seen that the average throughputs of Group 'A' (the 4 metropolitan cities of India), are better than the averages for most countries; the Group 'B' averages are comparable to those in some of the countries; whereas the Groups 'C' and 'D' averages are below those obtaining in the above referred countries.



CHAPTER VI

ESTIMATES OF DEMAND AND PRODUCT AVAILABILITY

6.1 Estimation of future increase in Sales.—The Committee was required to report on the need for and methods of regulating the growth of retail outlets in the future with reference, *inter alia*, to the expected growth of total business in the country and company-wise. Several estimates of future growth rate in demand for MS and HSD were considered by the Committee, including the estimates last made by the Oil Advisory Committee. The oil companies, based on their market intelligence, also put up their estimates of future growth. After considering all these estimates, the Committee decided to adopt the growth rate as worked out by the Indian Institute of Petroleum. The details of the estimates made by the various agencies in regard to the likely growth in demand for MS and for HSD are indicated in Annexures 10 and 11 respectively. The Indian Institute of Petroleum estimates accepted by the Committee are shown below:—

(Figures in '000 tonnes)

Year	M.S.	% increase	H.S.D.	% increase
1966 (actual)	1,116	..	2,591	..
1967	1,171	5	2,884	11
1968	1,241	6	3,283	14
1969	1,315	6	3,738	14
1970	1,394	6	4,282	15
1971	1,478	6	4,839	13

6.2 The above growth rate represents the likely increase in the total demand, as distinct from the growth rate in sales through retail outlets. The Committee, therefore, considered the past growth rate for sales through retail outlets for these products. The actual sales and variations therein between 1962 and 1966 are shown in Annexures 12 and 13 for MS and HSD respectively. To sum up, the position has been as under :—

M.S.

- (a) Actual growth rate 1962-66 total volume 5.1%
- (b) Actual growth rate 1962-66 through retail outlets 5.3%
- (c) Growth rate total volume worked out by the IIP for the period 67-71 and accepted by the Committee 5.8%

As bulk of the MS sale is through retail outlets, the Committee decided to adopt the compound growth rate of 5.8% for sale through retail outlets, as well for the total volume.

H.S.D.

(a) Actual growth rate 1962-66 total volume	12.3%
(b) Actual growth rate 1962-66 through retail outlets	8.7%
(c) Assessment of IIP as accepted by the Committee for 1967-71 for the total volume including through retail outlets	13.3%

After considering the above figures, the Committee adopted a growth rate of 10% compound for sale through retail outlets till 1971.

6.3 Group-wise breakdown of the anticipated increase in demand.

Based on the above decisions of the Committee, the increase in sale of MS and HSD through retail outlets till 1972 and its break-down area-wise between the Groups 'A', 'B' and 'C', are indicated below :—

(In Kls.)

MOTOR SPIRIT	1966	1967	1968	1969	1970	1971	1972
Bombay	1,72,360	1,86,149	2,01,041	2,18,129	2,36,670	2,57,970	2,81,187
Calcutta	98,804	1,06,708	1,15,245	1,25,041	1,35,669	1,47,880	1,61,189
Delhi	80,891	87,362	94,351	1,02,371	1,11,073	1,21,069	1,31,965
Madras	40,076	42,080	44,184	46,614	49,178	52,129	55,256
Total Group 'A'	3,92,131	4,22,299	4,54,821	4,92,155	5,32,590	5,79,048	3,76,597
Total Group 'B'	1,98,249	2,08,161	2,20,651	2,33,890	2,47,923	2,62,798	2,78,566
Total Group 'C'	7,32,776	7,58,834	7,97,201	8,34,988	8,74,182	91,21,31	9,51,053
TOTAL	13,23,156	13,89,314	14,72,673	15,61,033	16,54,695	17,53,977	18,59,216

N.B. 1. Within the overall growth rate adopted for sale through retail outlets from year to year, certain variations have been adopted in the individual groups on the basis of the past trends. In Group 'A' for Calcutta, Bombay and Delhi, for instance, the growth rate adopted varies between 8 and 9% and for Madras, between 5 and 6%.

2. For Group 'B', the growth rate adopted is the same as for all India.

3. For Group 'C', the growth rate has been calculated by difference, i.e. All India—minus—(Group 'A' + Group 'B').

('000 Kls.)

H.S.D.	1966	1967	1968	1969	1970	1971	1972
Bombay	52.95	56.13	59.50	63.07	66.85	70.87	75.12
Calcutta	32.78	34.74	36.83	39.04	41.38	43.86	46.49
Delhi	64.06	67.91	71.98	76.30	80.88	85.73	90.87
Madras	27.75	29.41	31.18	33.05	35.03	37.13	39.36
Total Group 'A'	177.54	188.19	199.49	211.46	224.14	237.59	251.84
Total Group 'B'	220.99	243.08	267.39	294.13	323.54	355.90	391.49
Total Group 'C'	1,403.18	1,550.60	1,713.19	1,892.49	2,090.20	2,308.18	2,548.50
TOTAL	1,801.71	1,981.87	2,180.07	2,398.08	2,637.88	2,901.67	3,191.83

N.B. 1. Taking the past trends into consideration, the Committee adopted a compound growth rate of 6 per cent for Group 'A'.
 2. For Group 'B', the Committee adopted a compound growth rate of 10 per cent.
 3. For Group 'C', the demand has been worked out by difference, as for M.S.

6.4 Company-wise estimates of product availability.—A request was made to the Government to indicate the likely refinery throughput, refinery-wise, for the years 1967 to 1971. The following information was received :—

Refinery	(In million tonnes per year)				
	1967	1968	1969	1970	1971
Burmah-Shell . . .	3.75	3.75	3.75	3.75	3.75
Esso . . .	2.5	2.5	2.7	2.7	2.7
Caltex . . .	1.05	1.05	1.05	1.05	1.05
A.O.C. . . .	0.5	0.5	0.5	0.5	0.5
Gauhati . . .	0.85	0.85	0.85	0.85	0.85
Barauni . . .	2.0	2.25	2.5	3.0	3.0
Koyali . . .	2.0	2.75	3.0	3.0	3.0
Cochin . . .	2.0	2.3	2.3	2.3	2.3
Madras . . .	..	..	1.75	2.5	2.5
Haldia . . .	..	..	..	1.0	2.5
North West (or else where)	..	..	..	..	1.0
TOTAL . .	14.65	15.95	18.4	20.65	23.15

The likely refinery throughputs for 1972 were not asked for as initially the committee had hoped that its recommendations might be finalised in time for action being taken thereon during 1967 itself. Since the Committee's report is being submitted in mid-November, 1967, action on its recommendations will not be possible prior to 1st January, 1968. Therefore, in this and in subsequent chapters, wherever feasible (not in all cases), projections have been made for 1972.

6.5 The oil companies were also asked to indicate what their product availability is likely to be under the following alternative conditions :—

(a) The physical maximum that can be produced irrespective of any restraints, within the permissible refining capacity and crude mix.

- (b) The maximum feasible production after keeping in view the restraints due to existing agreements/commitments etc., such as, the production of aviation gasoline, ATF, SBP spirits, Kerosene, JP4 etc.
- (c) Maximum production as per the designed capacity, suitably prorated to the existing or the anticipated capacity.
- (d) Each company's best estimate of production pattern during 1971, based on the market conditions then likely to obtain.
- (e) Each company's refining capacity as fixed by the Government.

6.6 A statement bringing out the company-wise availability under each of these five arrangements, showing percentage of each company's availability to the total, is enclosed as Annexure 14. In this annexure certain adjustments have been made as under :—

- (a) Burmah-Shell's anticipated product availability during 1971, includes 34,000 tonnes MS as the surplus availability out of the production at Digboi Refinery, after meeting its requirements in Assam. AOC's availability of MS has been correspondingly reduced.
- (b) Burmah-Shell's anticipated MS availability during 1971, also includes 84,000 tonnes MS from the production at Gauhati and Barauni refineries of the IOC. This represents BOC's entitlement out of the production of these two refineries IOC's availability has been correspondingly reduced.
- (c) Burmah-Shell's anticipated HSD availability in 1971, includes 157,000 tonnes from IOC's refineries at Gauhati and Barauni. This Represents BOC's entitlement out of the production of these two refineries. IOC's availability has been correspondingly reduced.

6.7 The Committee noted that within the technological limits of the refinery and the composition of the crude mix, the oil companies could increase or reduce the production of MS and HSD. After taking note of his and other factors, the Committee decided to adopt item (d) of para 6.5, i.e. the oil companies' best estimates of production pattern during 1971, after taking into consideration their estimated market requirements. The Committee further noted that on this basis, the estimated demand for MS and for HSD during 1971 will be well below the production estimates given by the oil companies, as will also be observed from the following table :

(Figures in '000 tonnes)

Products	Anticipated availability	Estimates of requirements
MS/Naphtha.	4,061	1,478 (MS)
HSD	5,485	4,839

6.8 The oil companies have categorically stated to the Committee that, keeping in view the increased throughputs which the Committee has envisaged and the anticipated growth rate till 1971, they will have adequate product availability to meet their market requirements. Under the present arrangements the products refined from wholly indigenous crude, receive priority in domestic distribution. However, for the strictly limited purpose of estimating the company-wise product availability for the domestic market, the products refined from imported crude should rank *pari passu* with the products refined from indigenous crude. If, for logistical considerations the products of the coastal refineries, using imported crude, have to be exported, the burden of exports can be notionally shared to determine each company's product availability for the domestic market.

6.9 The company-wise estimates of product availability during 1971, based on para. 6.7 above, in figures, as well as in terms of percentages to the total, is indicated below:—

(Figures in '000 tonnes)

Company	Availability estimate	Motor Spirit		High Speed Diesel Oil	
		% to total		Availability estimate	% to total
Burmah Shell	818	20.2		1,107	20.2
Esso	423	10.4		610	11.7
Caltex	180	4.4		320	5.8
I. O. C.	2,584	63.6		3,393	61.9
A. O. C.	56	1.4		55	1.0
TOTAL	4,061	100.0		5,485	100.0

6.10 The comparative position of each company's percentage share in the total product availability in 1962 and in 1966 and its projection for 1971, based on the estimates adopted by the Committee, is shown separately for MS and for HSD in the following two tables. For the two years 1962 and 1966, to facilitate comparison, the number of retail outlets with each company and its percentage to the total outlets have been shown in juxtaposition. Burmah Shell's retail outlets include those of IBP owing to bulk of IBP's product availability coming from Burmah Shell. Since, however, IBP had barely 226 outlets operating in 1966, against Burmah-Shell's figure of over 3,000 outlets, even if IBP's outlets are excluded, the overall picture will not change materially.

('000 tonnes)

<i>Motor Spirit</i>	B. Shell	Esso	Caltex	IOC	AOC	Total
1962 Availability .	501	354	168	33	82	1138
Per cent to total..	44.0	31.1	14.8	2.9	7.2	100
Outlets . .	2995	1471	1167	7	82	5722
Per cent to total .	52.34	25.71	20.39	0.12	1.43	100
1966 Availability .	591	343	228	697	90	1949
Per cent to total .	30.4	17.7	11.7	35.7	4.6	100
Outlets . .	3456	1680	1296	648	117	7197
Per cent to total .	48.02	23.34	18.01	9.00	1.63	100
1971 Availability .	818	423	180	2584	56	4061
Per cent to total .	20.2	10.4	4.4	63.6	1.4	100
<i>High Speed Diesel Oil</i>						
1962 Availability .	790.2	432.2	306.3	368.8	53.3	1950.5
Per cent to total..	41	22	16	19	3	100
Outlets . .	2857	1394	1109	10	18	5388
Per cent to total .	53.03	25.87	20.58	0.19	0.33	100
1966 Availability .	734.0	397.3	294.6	1191.3	55.0	2972.5
Per cent to total..	27	15	11	45	2	100
Outlets . .	3401	1639	1277	793	76	7186
Per cent to total..	47.33	22.81	17.77	11.03	1.06	100
1971 Availability .	1107	610	320	3393	55	5485
Per cent to total..	20.2	11.1	5.8	61.9	1	100

CHAPTER VII

NEED FOR REGULATION

7.1 Views on regulation of future growth.—On the question of need for regulating the future growth of retail outlets, two views were expressed before the Committee. The chief executives of the private oil companies during their oral evidence before the Committee stated that there was no case for the regulation of the growth of retail outlets in the future for the following main reasons :—

- (a) Commercial considerations have ensured in the past, as also seen by the Committee, that a balance has been maintained between growth in demand and in retail outlets. Average throughputs have remained stable for the past five years.
- (b) Progressive increases in construction costs and in land rentals, particularly in urban areas, are likely to slow down the rate of growth of new outlets.
- (c) Unnecessary controls should be avoided as market forces, being self-regulating, provide the best discipline in the allocation of resources. The adverse financial results of indiscriminate expansion of retail outlets are in themselves a commercial restraint. Furthermore, controls inhibit free competition and affect the consumers' as well as national interests adversely.
- (d) Total demand for retail Motor Spirit and HSD is expected to increase significantly over the next few years throughout the country and if customer needs are to be met satisfactorily, a sizeable retail outlet expansion programme will be necessary. All companies can make a contribution to this expansion programme, even after allowing IOC an accelerated growth rate in keeping with its recent performance. In 1965/1966 IOC installed over 80% of the new outlets.
- (e) Within the foreseeable future, and certainly upto 1971, each company can meet its own requirements of Motor spirit and HSD from its associated refinery, i.e. product availability considerations do not suggest the need for any restraint on the construction of new outlets.
- (f) While recognising that dealer profitability appeared to be inadequate, it was pointed out that this was due not to inadequate throughputs but to progressive increases in the investment levels and operating costs of the dealers. Hence, it was more appropriate to tackle the problem through a review of the dealer commission, which has remained static since 1954, rather than through the enforcement of regulations which would bring about an artificial increase in throughputs at the expense of customer convenience.

7.2 The Secretary to the Government of India, Ministry of Petroleum & Chemicals and Chairman, Indian Oil Corporation, on the other hand said that the regulation of future growth of retail outlets in the country was necessary with a view to achieving the following objectives:—

- (a) To progressively bring about a more equitable relationship between the product availability with the individual oil companies and their access to the retail trade.
- (b) To channelise investments on retail outlets in a more purposeful manner.
- (c) To improve the throughputs of the retail outlets.
- (d) To encourage setting up of retail outlets in the new areas which are now developing.
- (e) To reduce costs and contain prices.

Further, the Chairman, IOC, said that if the equitable relationship referred to in (a) above is not brought about quickly enough, the foreign oil companies would retail MS and HSD processed in IOC's refineries through their own (foreign oil companies) retail outlets. This will increase the foreign exchange liability of the country by way of repatriable profits.

7.3 The Committee considered in great detail the above views, and while there is much force in the two sets of arguments set out above, a broad consensus on pragmatic grounds was reached that :

- (a) In a developing economy with a scarcity of resources, their conservation assumes special significance. The Committee felt that orderly growth of retail outlets in accordance with agreed principles was a desirable step as it would contribute towards the conservation of scarce resources.
- (b) Dealer profitability has come under pressure as a result of the interaction of a static dealer commission on the one hand and rising operating costs and higher working capital needs arising from price increases dictated by excise duty changes on the other. A planned and deliberate slowing down in the rate of outlet growth should mitigate to a limited extent the pressure on dealer profitability.

7.4 Regulation necessary to prevent excessive pumping.—In considering this aspect, the Committee also estimated the future requirement of retail outlets. It was seen that on the basis of the current through puts 4855 additional outlets will be required in the country in the 5 years between 1968 to 1972. The Committee accepted that this number is excessive and decided that the oil companies should make a deliberate attempt to progressively improve the throughputs by 1972, in the manner indicated below.

7.5 Extent of regulation.—Taking the 1966 average throughputs as the basis, the Committee recommends the following targets for a progressive improvement in the average throughputs by the year 1972 ;

- (a) *Bombay*.—No regulation is considered necessary. The average throughputs are the highest compared to any other area. The exorbitant land prices, coupled with the heavy pressure on the available land, are factors that will automatically regulate future growth.
- (b) *Calcutta*.—Future growth of retail outlets should be regulated with a view to bringing about a 10% improvement in average throughputs for MS by 1972.
- (c) *Delhi*.—Future growth of retail outlets should be regulated with a view to bringing about a 10% improvement in the average throughputs for MS by 1972.
- (d) *Madras*.—Future growth of retail outlets should be regulated with a view to bringing about a 25% improvement in average throughputs for MS by 1972.
- (e) 26 *Selected Towns*.—The future growth should be regulated to obtain a 10% improvement in MS throughputs by 1972.
- (f) *Rest of the area*.—Regulation should bring about a 17.5% improvement in the average HSD throughputs by 1972.

7.6 While the MS throughput has been adopted as the basis for the metropolitan cities and the 26 selected towns, for the 'rest of the area'—Group 'C' HSD throughput has been adopted. This was necessary due to the HSD sales through retail outlets developing at almost twice the growth rate for MS. Since the bulk of the HSD sale, almost 80%, is in the 'rest of the area', it is necessary to plan the future growth on the basis of the average throughputs for HSD. On the other hand, if MS had been adopted as the basis for the 'rest of the area' as well, a 17.5% improvement in throughput would have justified barely 484 total additional outlets in a period of 5 years till 1972, or 97 outlets each year, as against 418 new outlets actually commissioned each year between 1962 and 1966. The Committee's recommendation of adopting the growth rate for HSD for this area, would thus ensure the setting up of the requisite outlets in the rural areas.

7.7 If the average throughputs are improved as envisaged above, the requirement of retail outlets in the five years from 1968 to 1972 will be as under :—

(i) 4 Metropolitan cities and the 26 selected town	489	as against 4855 outlets if there is no regulation of future growth and 1966 throughputs remain static.
(ii) Rest of the area	2,574	
Total for 5 years	3,063	
Average per year	612	

7.8 Considering the past performance, it should be possible for retail outlets to come up till 1972 at the rate recommended by the Committee. In the process, average MS throughput in the 'rest of the area' may come down. This has, however, to be faced in view of the position explained in paragraph 7.6.

7.9 The problem of reduction in the average throughput for MS in the 'rest of the area' can be overcome by the oil companies putting mostly lone HSD outlets. As has been noted earlier, there is a tendency for the lone HSD outlets to increase. No hard and fast rules can, however, be prescribed on this subject and the case of every outlet will have to be judged on its financial merits.

7.10 **Regulations in foreign countries.**—The position obtained in foreign countries regarding regulations followed was specially studied by the Committee. A study of ten foreign countries was made. Of these, four i.e. U. K., Holland, France and Italy were selected from Europe, five, i.e. Japan, Thailand, Malaya, Phillipines and Australia were selected from the Far East and Brazil from South America.

7.11 In none of the above countries, except Japan and France, are any wide ranging regulations adopted. The position obtaining in each country is summarised in annexure 15.

7.12 The Committee came to the conclusion that the regulatory practices adopted in these countries were not suitable to India in every respect and that in our special circumstances, the recommendations made by the Committee in Chapter VIII are likely to be a more suitable basis for regulating the future growth of retail outlets.

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CHAPTER VIII

INTERCOMPANY ADJUSTMENTS

8.1 Feasibility of intercompany accommodation/adjustments, in the existing outlets.—Under its terms of reference, the Committee was to consider the desirability and feasibility of intercompany accommodation and/or adjustment in the existing outlets. In this connection, the Committee studied the following alternatives :—

- (a) An outright transfer of some of the existing retail outlets with the other oil companies, particularly in the big cities, to the IOC.
- (b) The sharing of profit on the sale of one company's products through the retail outlets of the other company.
- (c) Setting up of pumps of two or more oil companies at the existing retail outlets.

8.2 Outright transfer of the existing outlets.—The suggestion of a outright physical transfer of some of the existing retail outlets was considered by the Committee, but did not find favour. It was felt that just as the private oil companies have built up their retail outlets network in the last three or four decades, I.O.C. should also likewise progressively build up its own network of outlets. This, however, does not preclude the transfer/sale of the existing outlets of the private oil companies to the IOC, as a result of mutual negotiations. It was noted that nearly 150 outlets of the private oil companies had been acquired by the IOC in this manner, in the last few years. It is true that several good sites in the areas with a heavy concentration of demand are with the private oil companies. Owing to the heavy pressure on land in the larger cities, reflected in soaring land prices, it would not be easy for I.O.C. to make quick progress in such areas. Even so, with the rapid growth in population and consequent over-crowding in such areas, the demand in future is likely to shift increasingly to the new colonies and suburbs. Taking all these factors into consideration, the Committee has not found it possible to recommend any outright transfer/sale of the existing retail outlets by the private oil companies to the I.O.C. This, of course, need not preclude such transfers as a result of mutual negotiations.

8.3 Sharing of profits.—The question of sharing of profits on sale by the company, which has to sell its products through the retail outlets of another company, for want of adequate retail facilities of its own, was considered by the Committee in great detail. It was represented to the Committee that so long as a company had adequate product available for retail sale through its own outlets, it should not be compelled to share its profits merely because of the bulk of its production having to be exported for logistical or other reasons.

8.4 It was suggested that the proposed sharing of profits could be considered at least in respect of the products of another company, sold by a company through its outlets, whenever such sale was in excess of its own Product availability. Such an arrangement is envisaged in the terms of reference, the word 'accommodation' being taken to cover this aspect. For the next few years at least, this suggestion will not have any practical application, as the oil companies have categorically told the Committee that the product availability with each oil company is expected to suffice its retail sale requirements. The Committee recommends that if and when a stage arises, where some companies may have to negotiate with the IOC to purchase products to meet the full requirements of their outlets, the proposed arrangement of sharing of profits on such sales can be mutually negotiated between the oil companies at that time.

8.5 Pumps of two or more companies at the existing outlets.—The Committee also considered in detail the feasibility of setting up pumps of two or more oil companies at the existing retail outlets, as is now the practice in the U.K. It is understood that in the U.S.A., this practice is widely followed. The difficulties in its implementation in India were said to be as under:—

- (a) At company controlled outlet, such an arrangement may interfere with the day-to-day management of the outlet. It may also give a lever to the dealer to play up one company against the other. Finally, in the matter of modernization, replacement of assets, re-siting etc., there could be endless disputes.
- (b) While the system could be tried on dealer controlled outlets, there was wide disparity in the percentage of dealer controlled outlets to total, as between one company and the other. While IOC had almost 90% of its sites under the control of the dealers, the position in the case of the other oil companies was quite different. Burmah-Shell for instance had barely 18% of their sites under the control of the dealers, Esso's percentage was 35, that of Caltex 51 and so on.

8.6 Taking all these factors into consideration, the Committee has not found it possible to recommend any arrangement under which pumps of 2 or more oil companies may be installed at the existing retail outlets.

8.7 Need for Pragmatic approach to problems.—As many disparate opinions were expressed to the Committee, after considerable deliberation it came to the view that no one solution would be wholly acceptable, to both, the private oil companies and the public sector Indian Oil Corporation. It became clear that a solution could only be found through a Pragmatic approach.

8.8. Taking all the factors into consideration, the Committee's recommendations are contained in the following paragraphs.

8.9 Recommendations for existing outlets.—The oil companies have a number of outlets on public land, i.e., land belonging to the Central and State Governments, Local Authorities, etc., as distinct from land belonging to private parties. The actual number of retail outlets on public land was not obtained by the Committee, as this information was considered to be of a confidential nature, not to be divulged for competitive reasons. The Committee recommends the adoption of the following procedure in respect of retail outlets on public land in the urban areas covered by the four metropolitan cities, the 26 selected towns (excluding retail outlets on public land in the Metropolitan area of Delhi and on land belonging to Port Trusts), and the 4 towns with a population of 2.5 lakhs and above. i.e. Bareilly, Jullundur, Meerut and Surat :

- (a) The private oil companies will give intimation to the Indian Oil Corporation Ltd., Marketing Division, Bombay, in writing regarding the expiry of the lease of their retail outlets on public land, at least 12 months in advance of the date of expiry.
- (b) The receipt of the intimation referred to in (a) above, will be acknowledged by the IOC in writing. Thereafter, within a period of 2 months from the receipt of this intimation, IOC will indicate in writing its willingness or otherwise to take over the site under reference on expiry of the lease. Failure to intimate willingness within the period of 2 months referred to herein, would automatically entitle the concerned oil company to seek renewal of the lease in question. IOC will intimate to the concerned officials that it is not interested in taking over the site on the expiry of the lease.
- (c) If IOC expresses interest in taking over the site on expiry of the lease, the oil company concerned will not ask for its renewal, but will arrange to hand over the possession of the site to the IOC on the date of expiry of the lease.
- (d) In all cases where IOC exercises the option to take over the retail outlets of the other oil companies on public land on expiry of the lease, the other oil companies will be free to develop alternate sites in lieu of such outlets taken over by the IOC.
- (e) This arrangement will not apply to the retail outlets of the other Oil companies on public land in cases where IOC has a retail outlet within 100 metre from such outlet(s), except where such an outlet of the IOC is on private land, in which case, IOC will be free to take over the retail outlet on the public land in exchange for its own outlet on the private land.
- (f) As far as possible, the dealership arrangement will not be disturbed.

8.10 The Committee recommends that the arrangement referred to in paragraph 8.9, may be made effective from 1st January, 1968. In respect of such of the outlets whose lease expires prior to 31st December,

1968, it will not be possible for the other oil companies to give to the IOC 12 months' clear notice. For these outlets, a consolidated intimation may be given by the other oil companies to the IOC latest by the end of December, 1967. IOC may thereafter intimate its willingness or otherwise to take over the retail outlets out of this consolidated list by the end of February, 1968. In respect of the outlets which the IOC agrees to take over, the lease period may be extended till the end of December, 1968.

8.11 It was represented to the Committee that in many cases where the retail outlet is located on the private land, especially on the highways, the lease of public land covering the approach roads is either not granted or not renewed. The Committee recommends that no restrictions should be imposed in this regard and the lease of the approach roads should normally be granted or renewed as necessary.

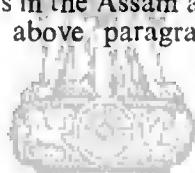
8.12 The Committee recognises the right of the Government to offer public land to any person of its choice for the purpose of setting up retail outlets or not renewing old lease in particular cases. However, in consideration of the voluntary restraints mentioned hereinafter, and in view of the arrangements envisaged in the above paragraphs 8.9 and 8.10, and also bearing in mind that the private oil companies will not be interested in putting up new outlets on public land, the Committee recommends that the Government may withdraw/revise all instructions said to have been issued, purporting to impose restrictions/constraints about the grant or renewal of lease on public lands, to the private oil companies.

8.13 Recommendations for future growth.—The Committee is of the view that the situation in which IOC finds itself, where it is not adequately represented in retail trade in relation to its product availability, requires some special consideration for the establishment of new retail facilities, without disturbing the existing channel of distribution, dealership, etc. To achieve this end, the private oil companies should exercise voluntary restraint in a large measure in the matter of setting up new retail outlets during the next five year, i.e. from 1st January, 1968 to 31st December, 1972, to enable the IOC to achieve a faster growth rate. The Committee feels that this can be achieved by the Industry installing and commissioning the new outlets in this five year period, as per details given in the table at the end of this paragraph. This voluntary restraint on the part of the existing marketeers may even extend itself to actual assistance to the IOC in the shape of offers for any site that they may have partially developed/negotiated for. For the successful attainment of this objective, it is essential that a review is made by the industry every two years to see the progress. In the light of this review, if it is found that IOC or the other oil companies have not completed the biennial quotas set for them, in order to protect the interests of the consumer, IOC or the other oil companies should be free to put up outlets to the extent of each others' short-fall. This arrangement will apply only to the commissioning of new retail outlets and there will be no objection

to the oil companies resiting, modernising or expanding their outlets commissioned upto 31st December, 1967. Keeping in view the improvements in the average throughputs as recommended by the Committee in paragraphs 7.5 and 7.7 of Chapter VII, the company-wise break-down of the new retail outlets to be commissioned by the oil companies between the five years from 1968 to 1972, will be as under :—

	IOC	Other Oil Companies	Total
	95%	5%	100%
4 Metropolitan cities and the 26 selected towns . . .	465	24	489
Rest of the Area . . .	2435	139	2574
Total for 5 years. . .	2900	163	3063
Average per year. . .	580	32	612

8.14 Special consideration for Assam.—On account of the peculiar conditions obtaining in Assam, the Committee has not considered it necessary to suggest any regulation either in the existing outlets or in respect of the future growth in that area. Currently only AOC and IOC are putting up outlets in the Assam area and they may continue to expand their respective retail outlet's network in that region as hitherto. Any additions to the retail outlets in the Assam area will be excluded from the numbers indicated in the above paragraph.



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CHAPTER IX

DEALER PROFITABILITY

9.1 The Federation of All-India Petroleum Traders, and the witnesses representing the oil companies, stressed in their oral evidence before the Committee, the need for improving dealer profitability, to enable the dealer to make a reasonable margin of profit on his investment. It was pointed out that owing to a progressive increase in duties on petroleum products, the prices of MS and HSD had increased steeply during the past 13 years, but the dealer's commission, which was linked to volume, had remained static, as will be seen from the following figures:

		Madras city selling price inclusive of commission	Dealer's commission per Kl	% Commission to selling price
MS	1-6-1954	Rs. 590/- per Kl	Rs. 41/80	7.08%
	1-6-1967	Rs. 960/- , ,	Rs. 41/80	4.35%
HSD	1-6-1954	Rs. 290/- , ,	Rs. 17/60	6.07%
	1-6-1967	Rs. 820/- , ,	Rs. 17/60	2.15%

9.2 It was also stated that while the dealer's investment and operating costs had increased steadily over the years, his gross profitability had remained stationary, resulting in lower net profits.

9.3 The information obtained by the Committee from the foreign countries also included details of retail selling prices and dealers' commission. It was seen that the commission payable to the dealer in India, in terms of percentage on selling price, is the lowest compared to the same in the foreign countries selected for study. The position has been summarised in the following table. To facilitate comparison, currencies and measures have been converted into rupees and litres respectively :—

Country	Retail price		Dealer's margin		Dealer's margin as percentage of retail selling price.	
	HSD	MS	HSD	MS	HSD	MS
U.K.	1.02	1.21	—	13.50	—	11.1%
France	0.99	1.44	—	—	—	—
Holland	0.34	1.11	0.394	0.0933	11.6%	8.41%
Italy	0.92	1.34	3.66 to 4.88	7.32 to 7.93	4% to 5.3%	5.5% to 5.91%
Brazil	—	—	4.88 to 7.32	10.98 to 14.40	5.3% to 7.9%	8.2% to 10.7%

Country	Retail price		Dealer's margin		Dealer's margin as percentage of retail selling price	
	HSD	MS	HSD	MS	HSD	MS
Australia . . .	0.69	0.67	—	9.7	—	14.5%
Japan . . .	0.83	1.13	10.79	14.69	13%	13%
Phillipines . . .	0.36	0.56	—	—	—	—
Malaysia . . .	—	1.06	—	—	—	—
Thailand . . .	0.36	0.69	3.1 to 3.7	4.7 to 6.2	9.4%	7.9%
India (New Delhi) (Sept. 67)	0.82	1.02	1.76	4.18	2.1%	4.1%

9.4 Certain case studies were submitted to the Committee for its information by the Federation of all-India Petroleum Traders. However, the Committee was unable to make detailed studies of retail outlet profitability on a scale, that may have made it possible to draw definite conclusions regarding the present level of dealer profitability.

9.5 The Committee felt that one way of improving dealer profitability will be to so plan the future growth of retail outlets, that there is a progressive improvement in their throughputs over the period 1968-1972. The committee has accordingly provided for a 10% increase in throughput of MS in Calcutta & Delhi, a 25% improvement in throughput of MS in Madras (where present throughputs are unduly low), a 10% improvement in throughput of MS in the more important cities, and a 17.5% increase in the throughput of HSD in the rest of India, which should mitigate the position to a certain extent.

9.6 Apart from the measures recommended by the Committee, the dealers' profitability could be improved in any one or more of the following ways :—

- (a) The reduction in the excise duty on the sale of MS and HSD; this is for the Govt. to consider.
- (b) The oil companies parting with a portion of their profit margin in favour of the dealers; their representatives said that as their profit margins are already controlled by the Government pricing formula, it was not possible to do so.
- (c) Increasing the retail selling price. The committee hopes that all efforts will be made to protect the consumers' interests.

9.7 It would have been necessary for the Committee to make a detailed study of the matter, if some well founded conclusions were to be arrived at. Since, however, this subject is outside the terms of reference of this Committee, such a study has not been considered necessary. The Committee, however, recommends that the Government may consider specifically remitting this aspect to the next pricing Committee.

CHAPTER X

GENERAL OBSERVATIONS

10.1 Procedural delays in commissioning outlets.—A time consuming process has to be gone into before a retail outlet can be commissioned. The important formalities that have to be followed are :

- (a) Permission from the Traffic Police from the point of view of safety of road traffic ;
- (b) clearance from the Fire Department ;
- (c) Municipal/Health authorities' approval to the location and the lay-out of the building, sanitation and electrification plans;
- (d) approval of the Public Works Department for the connecting roads ;
- (e) 'No objection' certificate from the Collector ;
- (f) approval of the Chief Inspector of Explosives for storage and sale of dangerous and other non-dangerous petroleum products;
- (g) Excise licence ;
- (h) Sales tax licence ;
- (i) Certificate for the calibration and the sealing of the pump meters from the Weights and Measures Department.

10.2 The Committee recommends that the oil company setting up the retail outlet, should simultaneously apply to all of the authorities whose clearance is necessarily required. Side by side, the local authorities should prescribe that unless an objection is raised in writing within six weeks of the application, the consent will be assumed. Such a procedure is known to be followed in Australia. Even in India, in some areas there is a practice by which housing plans are treated as approved unless specifically objected to. Simultaneously with the adoption of the above procedure, the senior officials of the concerned departments should invariably review all cases where objections are raised to ensure that these are for genuine reasons.

10.3 Irrespective of the procedures followed, however, much will depend on the attitudes taken by the concerned officials. Even where such applications are considered by a Committee of the concerned officials, unconscionable delays are known to have taken place.

10.4 Need for minimum distance between 2 outlets.—The oil companies have not favoured this suggestion. They have maintained that they set up retail outlets where there is demand for the products and the

concept of adequate distance between 2 outlets is not a valid consideration. On the other hand, the observance of a certain minimum distance between two retail outlets has been considered to be useful by the State Governments, by the Federation of All India Petroleum Dealers and others. Such a system is known to be followed in a number of other countries, particularly in Japan and France. Purely from the town planning angle, in India as also in some other countries, especially in the larger towns, retail outlets are provided on the basis of the needs of each locality and the distance factor is kept in view. On the National Highways, while there would no doubt, be some concentration of retail outlets on either side of the Octroi barrier, retail outlets are necessary at certain minimum distances.

10.5 The committee is of the view that the concept of maintaining a certain minimum distance from the existing outlets is a good one and should normally be followed as far as possible, except where strong local or commercial considerations can be put forward. Its implementation will, however, present difficulties. The Committee, therefore, recommends that the matter may be left to the discretion of the oil companies and the local authorities. In determining the minimum distance between 2 outlets, it will of course be necessary to provide outlets on either side of the roads in areas where it is desirable to avoid cutting across busy traffic lanes and also where the road provides for 2 or more traffic lanes.

10.6 Maximum distance between outlets.—The question as to whether there should be a maximum distance as well, especially on the National and the state highways, was considered by the Committee. It is difficult to lay down any hard and fast rules on this subject in this respect, especially when the trends of future growth are not clearly known. The Committee, however, feels that it is desirable to have at least one retail outlets for every 80 Kms. on the National and the State Highways.

10.7. Common Lane for serving outlets adjoining each other.—In some places, especially on either side of some of the octroi barriers, where a number of outlets adjoin each other, the local authority provides for only one entry one exit to connect the common service lane with the main highway. This common service lane is in turn connected to the individual outlets. Where, for unavoidable local reasons, the clustering of outlets is inescapable, this idea of a common service lane for all of the outlets, could be usefully adopted.

10.8 Distance of outlets from road junctions.—There are provisions that prohibit the setting up of retail outlets on the National Highways and Expressways, within 250 ft. of the road junctions. For other less important roads, this minimum distance is generally fixed at 150 ft. These distances are based on the recommendations of the Indian Roads Congress, as contained in its pamphlet "Recommended Practice

for Location And Layout Of Roadside Motor Fuel—Filling-cum-Service Station", published in 1964. These recommendations are now being followed and are primarily intended to ensure the speed and safety of the traffic on these highways.

10.9 In the towns, however, the practice varies. In some towns, retail outlets are not permitted in the proximity of road junctions and the old outlets at such locations are planned for resiting. In other towns, there appeared to be a marked preference for setting up of the outlets in the vicinity of road junctions. The Committee has not considered it necessary to go into this aspect in detail, but would recommend that in all such cases, a fairly long range view should be taken, so that, as and when the traffic develops, such retail outlets may not constitute a traffic hazard.

10.10 General lay-out of retail outlets.—The Indian Roads Congress, in its pamphlet referred to above, has recommended the standard layout for filling and for filling-cum-service-stations. Local standards have also been evolved in some places by the Town Planning Departments and others. All of these plans seek to prescribe a minimum frontage, depth and other such details. These have been formed to adequately meet the local needs.

10.11 Amenities at Retail Outlets.—The Committee felt that the level of amenities available at the Retail Outlets can be further improved. The oil companies should evolve standards of amenities for Retail Outlets in Groups 'A', 'B', and 'C' depending on the type of trading area, *i.e.* residential or highway commercial traffic etc.

The minimum amenities favoured by the Committee are :

- (a) Public Telephone,
- (b) Toilet facilities,
- (c) Light Refreshments and
- (d) Parking space.

A beginning could also be made at selected Outlets for the sale of post-cards, envelopes and for the issue of telegrams.

10.12 Employment Potential.—The Committee wanted to have some idea of the employment potential of the retail outlets. The oil companies, however, do not keep any statistics on the subject.

The Committee, therefore, made its estimate on the following basis :

- (a) In Group 'A' on an average 8 persons per filling station.
- (b) in Group 'B' on an average 6 persons per filling station.
- (c) In Group 'C' on an average 5 persons per filling station.
- (d) For service-cum-filling stations, 5 additional persons.

(e) For stations with minor repair facilities, 2 additional persons and

(f) For stations with major repair facilities, 5 additional persons.

On the above basis, the employment potential in the retail outlets as on 1-1-67 has been estimated by the Committee to be 52,300 men.

10.13 Oil Companies' agreements with dealers.—The Committee went into the standard forms provided by the oil companies for dealership arrangements. The terms in the various agreements are broadly similar. From the point of view of dispensing unadulterated products., displaying and charging of correct price etc., most of the agreements, not all of them, provide sufficient deterrents. One company's standard agreement form also prescribes for courteous service being given to the consumer. These provisions, particularly the ones dealing with quality and price need to be adopted in all cases.

10.14 Security from the dealer.—Most of the oil companies obtain security from the Dealer which is ordinarily in the region of Rs. 1000/- on which varying rate of interest from 3 to 6% is paid.

10.15 Needs of the Rural Area.—A retail Outlet may not be sustainable in the rural areas from the commercial point of view of the oil companies as well as the dealer. On the other hand, it is necessary to take essential petroleum products into the rural area to support the large expansion plans for intensive cultivation, lift irrigation, etc. The Committee was advised that one State Government was thinking of organising Farmers' Co-operatives to operate Retail Outlets or consumer pumps and that the Indian Oil Corporation has assured its full cooperation to the State Government. The Committee commends this suggestion to the State Governments and Centrally administered areas for early implementation. Where it is not possible for the local authorities to organise such co-operative societies, the Indian Oil Corporation, as a Public Sector undertaking should set up such Outlets, or arrange for packed supplies to be stored in the interior hinterland for sale to farmers. The Committee also recommends development of Mobile Filling Stations, similar to ones used in Japan, which may be one solution for meeting requirements in the rural areas effectively and economically.

10.16 Sale of fertilizers and pesticides at retail outlets—It was generally felt that sale of fertilizers and pesticides should be taken up through selected up-country Retail Outlets serving the farming areas. In the light of experience gained, this facility can be extended to a larger number of Outlets.

CHAPTER XI

CONCLUSIONS AND SUMMARY OF RECOMMENDATIONS

11.1 Conclusions.—Under its terms of reference, the Committee was required to make a factual study of the growth of retail outlets in the last 10 years and the volume of average sales per outlet, a comparison with the position in other countries and an assessment of the justification for and consequences of the increases that have taken place.

11.2 A factual study of the growth has been made for the last 5 years on account of information for the earlier years not being available. A comparison has been made with the position obtaining in other countries. The broad conclusions that have emerged from this study are that :—

- (i) Taking 1962 as the base, in 1966 the overall position neither deteriorated nor improved. In other words, the additional outlets kept pace with the increased sale and this maintained the 1966 average throughputs at the 1962 levels. Hence it could be concluded that the retail outlets commissioned between 1962 and 1966 have not been excessive. (Para 5.21)
- (ii) In a number of areas, *e.g.* Madras, Coimbatore, Tiruchirappalli and Varanasi, there is evidence of retail outlets having been put up in excess of the market requirements. Reverse is true in some other markets. (Para 5.22)
- (iii) The average throughputs in India for group 'A' *i.e.* 4 metropolitan cities, are better than the averages for most countries, the averages for Group 'B' in India *i.e.* for the 26 selected towns, are comparable to those in some of the countries; the average throughputs in Group 'C'—rest of the area, and Group 'D' *i.e.* country as a whole, are below the average throughputs obtaining in the foreign countries selected for study. (Para 5.23 and Para 5.25)

11.3 Recommendations.—The recommendations made by the Committee in this Report are detailed below :—

(1) Considering that a retail outlet, even with the barest minimum facilities, *i.e.* pump, tank, driveway and kiosk, costs nothing less than Rs. 30,000, the total foreign exchange component of about Rupees one thousand, is not of an order which may warrant any specific restrictions by itself. On account of this reason, the Committee has not favoured any regulation on future growth merely on this score. The

Committee would, however, urge that the Government seriously take up the matter of developing indigenous capacity to wholly do away with the imported components. (Para 4.9)

(2) Since, however, the subject of recovery of licence fee by the oil companies from the Retail Outlet dealers is outside the scope of the Committee's terms of reference, no further comment is made except to state that probably the next price fixation committee might go into this in greater detail. (Para 4.16)

(3) A broad consensus on pragmatic grounds was reached that :

- (a) In a developing economy with a scarcity of resources, their conservation assumes special significance. The Committee felt that orderly growth of retail outlets in accordance with agreed principles was a desirable step as it would contribute towards the conservation of scarce resources.
- (b) Dealer profitability has come under pressure as a result of the interaction of a static dealer commission on the one hand and rising operating costs and higher working capital needs arising from price increases dictated by excies duty changes on the other. A planned and deliberate slowing down in the rate of outlet growth should mitigate to a limited extent the pressure on dealer profitability. (Para 7.3)

(4) Taking the 1966 average throughputs as the basis, the Committee recommends the following targets for a progressive improvement in the average throughputs by the year 1972 :—

- (a) *Bombay*.—No regulation is considered necessary. The average throughputs are the highest compared to any other area. The exorbitant land prices, coupled with the heavy pressure on the available land, are factors that will automatically regulate future growth.
- (b) *Calcutta*.—Future growth of retail outlets should be regulated with a view to bringing about a 10% improvement in average throughputs for MS by 1972.
- (c) *Delhi*.—Future growth of retail outlets should be regulated with a view to bringing a 10% improvement in the average throughputs for MS by 1972.
- (d) *Madras*.—Future growth of retail outlets should be regulated with a view to bringing about a 25% improvement in average throughputs for MS by 1972.
- (e) *26 Selected Towns*.—The future growth should be regulated to obtain a 10% improvement in MS throughputs by 1972.
- (f) *Rest of the area*.—Regulation should bring about a 17.5% improvement in the average HSD throughputs by 1972. (Para 7.5)

(5) If the average throughputs are improved as envisaged, the requirement of retail outlets in the five years from 1968 to 1972 will be as under :—

(i) 4 Metropolitan cities and the 26 selected towns . . .	489
(ii) Rest of the area . . .	2,574
 Total for 5 years . . .	 3,063
Average per year . . .	612

as against 4855 outlets, if there is no regulation of future growth and 1966 throughputs, remain static.

(Para 7.7)

(6) The Committee came to the conclusion that the regulatory practices adopted in the foreign countries subjected to study were not suitable to India in every respect and that in our special circumstances, the recommendations made by the Committee in Chapter VIII are likely to be a more suitable basis for regulating the future growth of retail outlets. (Para 7.12)

(7) The Committee has not found it possible to recommend any outright transfer/sale of the existing retail outlets by the private oil companies to the I. O. C. This, of course, need not preclude such transfers as a result of mutual negotiations. (Para 8.2)

(8) The Committee recommends that if and when a stage arises, where some companies may have to negotiate with the IOC to purchase products to meet the full requirements of their outlets, the proposed arrangement of sharing of profits on such sales can be mutually negotiated between the oil companies at that time. (Para 8.4)

(9) Taking all the factors into consideration, the Committee has not found it possible to recommend any arrangement under which pumps of 2 or more oil companies may be installed at the existing retail outlets. (Para 8.5)

(10) In respect of Retail Outlets of the private oil companies on public land in the urban area covered by the 4 metropolitan cities, the 26 selected towns (excluding retail outlets on public land in the Metropolitan area of Delhi and on land belonging to Port Trust), and the 4 towns with a population of 2.5 lakhs and above i.e. Bareilly, Jullundur, Meerut and Surat, the private oil companies will follow the procedure prescribed by the Committee for an orderly transfer of the Retail Outlets to the IOC and to develop alternate sites in lieu of outlets taken over by the IOC. (Para 8.9).

(11) The Committee recommends that the arrangement referred to in paragraph 10 above may be made effective from 1st January, 1968. In respect of such of the outlets whose lease expires prior to 31st December, 1968, it will not be possible for the other oil companies to give

to the IOC 12 months clear notice. For these outlets, a consolidated intimation may be given by the other oil companies to the IOC latest by the end of December, 1967. IOC may thereafter intimate its willingness or otherwise to take over the retail outlets out of this consolidated list by the end of February, 1968. In respect of the outlets which the IOC agrees to take over, the lease period may be extended till the end of December, 1968. (Para 8.10)

(12) It was represented to the Committee that in many cases where the retail outlet is located on the private land, especially on the highways, the lease of public land covering the approach roads is either not granted or not renewed. The Committee recommends that no restrictions should be imposed in this regard and the lease of the approach roads should normally be granted or renewed as necessary. (Para 8.11).

(13) The Committee recognises the right of the Government to offer public land to any person of its choice for the purpose of setting up retail outlets or not renewing old lease in particular cases. However, in consideration of the voluntary restraints mentioned hereinafter, and in view of the arrangements envisaged in the above paragraphs 10 and 11 and also bearing in mind that the private oil companies will not be interested in putting up new outlets on public land, the Committee recommends that the Government may withdraw/revise all instructions said to have been issued, purporting to impose restrictions/constraints, about the grant or renewal of lease on public lands, to the private oil companies. (Para 8.12)

(14) The Committee is of the view that the situation in which IOC finds itself, where it is not adequately represented in retail trade in relation to its product availability, requires some special consideration for the establishment of new retail facilities, without disturbing the existing channel of distribution, dealership, etc. To achieve this end, the private oil companies should exercise voluntary restraint in the large measure in the matter of setting up new retail outlets during the next five years, i.e. from 1st January, 1968 to 31st December, 1972, to enable the IOC to achieve a faster growth rate. The Committee feels that this can be achieved by the Industry installing and commissioning the new outlets in this five year period, as per details given below :—

	IOC (95%)	Other Oil Companies (5%)	Total (100%)
4 Metropolitan cities and the 26 selected towns.	465	24	489
Rest of the area	2435	139	2574
Total for 5 years	2900	163	3063
Average per year	580	32	612

(Para 8.13)

(15) On account of the peculiar conditions obtaining in Assam, the Committee has not considered it necessary to suggest any regulation either in the existing outlets or in respect of the future growth in that area. Currently only AOC and IOC are putting up outlets in the Assam area and they may continue to expand their respective retail outlet's network in that region as hitherto. Any additions to the retail outlets in the Assam area will be excluded from the numbers indicated in the above paragraph. (Para 8.14)

(16) It would have been necessary for the Committee to make a detailed study of the dealer profitability, if some well founded conclusions were to be arrived at. Since, however, this subject is outside the terms of reference of this Committee, such a study has not been considered necessary. The Committee, however, recommends that the Government may consider specifically remitting this aspect to the next pricing Committee. (Para 9.7)

(17) The Committee recommends that the oil company setting up the retail outlet, should simultaneously apply to all of the authorities whose clearance is necessarily required. Side by side, the local authorities should prescribe that unless an objection is raised in writing within six weeks of the application, the consent will be assumed. Simultaneously with the adoption of the above procedure, the senior officials of the concerned departments should invariably review all cases where objections are raised to ensure that these are for genuine reasons. (Para 10.2)

(18) The Committee recommends that the concept of maintaining a certain minimum distance between the two outlets may be left to the discretion of the oil companies and the local authorities. (Para 10.5)

(19) The Committee feels that it is desirable to have at least one retail outlet for every 80 kms on the National and the State Highways. (Para 10.6)

(20) The Committee recommends that in considering the setting up of Retail Outlets close to road junctions a fairly long range view should be taken so that as and when the traffic develops, such retail outlets may not constitute a traffic hazard. (Para 10.8)

(21) The Committee felt that the level of amenities available at the Retail Outlets can be further improved. The oil companies should evolve standards of amenities for Retail Outlets in Groups "A", "B", and "C" depending on the type of trading area, i.e. residential or highway commercial traffic etc.

The minimum amenities favoured by the Committee are :

- (a) Public Telephone (b) Toilet facilities (c) Light Refreshments & (d) Parking space.

A beginning could also be made at selected Outlets for the sale of post-cards, envelopes and for the issue of telegrams. (Para 10.11)

(22) A retail Outlet may not be sustainable in the rural areas from the commercial point of view of the oil companies as well as the dealer. On the other hand, it is necessary to take essential petroleum products into the rural area to support the large expansion plans for intensive cultivation, lift irrigation, etc. The Committee was advised that one State Government was thinking of organising Farmers' Co-operatives to operate Retail Outlets or consumer pumps and that the Indian Oil Corporation has assured its full cooperation to the State Government. The Committee commends this suggestion to the State Governments and Centrally administered areas for early implementation. Where it is not possible for the local authorities to organise such co-operative societies, the Indian Oil Corporation, as a public sector undertaking should set up such outlets, or arrange for packed supplies to be stored in the interior hinterland for sale to farmers. The Committee also recommends development of Mobile Filling Stations, similar to ones used in Japan, which may be one solution for meeting requirements in the rural areas effectively and economically. (Para 10.16).

(23) It was generally felt that sale of fertilizers and pesticides could be taken up through selected upcountry Retail Outlets serving the farming areas. In the light of experience gained, this facility can be extended to larger number of Outlets. (Para 10.16)

11.4 The Committee's recommendations in Chapters VII and VIII of this Report are closely interlinked with each other. Acceptance of these recommendations in parts only, may, therefore, vitiate the spirit of this voluntary arrangement. The Committee, therefore, recommends that these recommendations may be considered in their entirety.

Sd/- R. R. MORARKA,
Chairman

Sd/- CHANDRA SHEKHAR, M.P.
Member

Sd/- H. R. BERY,
Member

Sd/- S. D. BHAMBRI,
Member

Sd/- DR. V. G. BHATIA,
Member

Sd/- A. R. DAMODARAN,
Member

Sd/- K. N. KHANNA,
Member

Sd/- KUNDAN LAL,
Member

Sd/- M. KURIEN,
Member

Sd/- P. V. MENON,
Member

Sd/- A. P. VERMA,
Member Secretary.

NEW DELHI,
14th November, 1967.



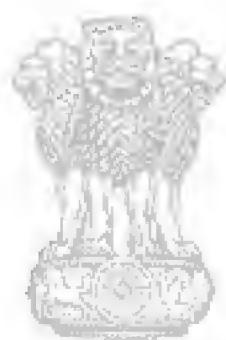
ANNEXURES TO THE REPORT OF THE RETAIL OUTLETS COMMITTEE



November, 1967

नवम्बर १९६७

Government of India
Ministry of Petroleum & Chemicals



સરનામુખ સંપર્ક

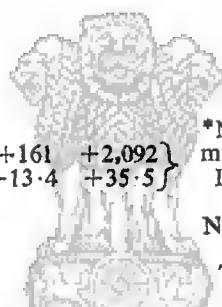
Annexure I Sheet-1
(para 3.3)

As on 1st January of	No. of Co's RO's	Total RO's in India	% age of Co's in India to total	Varia- tion in Co's ROs	Varia- tion in the total of ROs in the country	% age commis- ioned by the Co. to total
BURMAH-SHELL						
1962	2,972	5,896	50.41	..	..	..
1963	3,120	6,267	49.78	+148	+371	39.89
1964	3,247	6,622	49.03	+127	+355	35.78
1965	3,401	7,076	48.06	+154	+454	33.92
1966	3,448	7,531	45.78	+ 47	+455	10.32
1967	3,456	7,988	43.26	+ 8	+457	1.75
				*484	2092	
Increase during the period : Actual Percentage	+484 +16.3	+2092 +35.5		*Total new outlets commissioned Less outlets decommissioned : Net increase	878 394 484	
Co's contribution to total			23.1%			
E S S O						
1962	1,463	5,896	24.81	..	..	..
1963	1,563	6,267	24.94	+100	+371	26.96
1964	1,637	6,622	24.72	+ 74	+355	20.85
1965	1,721	7,076	24.32	+ 84	+454	18.50
1966	1,760	7,531	23.37	+ 39	+455	7.57
1967	1,786	7,988	22.36	+ 26	+457	5.69
				323*	2092	
Increase during the period Actual Percentage	+323 + 22	+2,092 +35.2		*Total new outlets commissioned Less Outlets decommissioned Net additions	500 177 323	
Co's contribution to total.			15.4%			

As on 1st January of	No. of Co's RO's	Total RO's in India	%age of Co's to total	Vari- ation in Co's ROs	Vari- ation in the total of ROs in the country	%age com- missioned by the Co. to the total country
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C A L T E X

1962	1,201	5,896	20.37
1963	1,287	6,267	20.54	+86	+371	23.18
1964	1,364	6,622	20.60	+77	+355	21.69
1965	1,423	7,076	20.11	+59	+454	12.99
1966	1,403	7,531	18.63	-20	+455	-4.39
1967	1,362	7,988	17.05	-41	+457	-8.97

 +161* +2092

Increase
during
the period
Actual
Percentage

+161 +2,092 } *New outlets com-
+13.4 +35.5 } missioned 308
 } Less outlets decom-
 } missioned 147
 } Net increase 161

Co's contribution
to total

7.7%

INDIAN OIL CORPORATION LTD.

1962	1	5896	0.02	..	..	..
1963	23	6267	0.36	+ 22	+371	5.93
1964	94	6622	1.42	+ 71	+355	20.00
1965	227	7076	3.21	+133	+454	29.30
1966	588	7531	7.81	+361	+455	78.90
1967	1046	7988	13.10	+458	+457	100.22

+1045* +2092

Increase
during
the period

Actual
Percentage

*New outlets commis-
sioned 1046
Less outlets decommissioned 1
Net increase 1045

Co's contribution
to total

50%

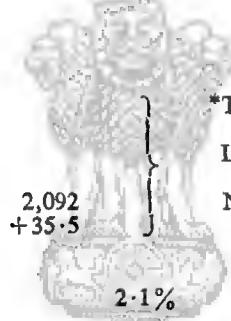
Annexure I Sheet-3:

(para 3.3)

As on 1st January of	No. of Co's ROs	Total ROs in India	%age of Co's to total	Vari- ation in Co's ROs	Vari- ation in the total of ROs in the country	Percent- age commi- ssioned of ROs by the Co. to total
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INDO-BURMA PETROLEUM CO. LTD.

1962	177	5,896	3.00
1963	187	6,267	2.98	+ 10	+ 371	2.70
1964	188	6,622	2.84	+ 1	+ 355	0.28
1965	201	7,076	2.84	+ 13	+ 454	2.86
1966	216	7,531	2.87	+ 15	+ 455	3.30
1967	220	7,988	2.75	+ 4	+ 457	0.88
				<u>+ 43*</u>	<u>+ 2092</u>	

Increase
during
the period :Actual
Percentage 43
 +24.2

*Total new outlets co-
missioned
Less outlets decom-
missioned
Net increase

51
8.
43

Co's contribution
to total

2.1%

ASSAM OIL COMPANY LIMITED

1962	82	5,896	1.39	..	..	..
1963	87	6,267	1.39	+ 5	371	+ 1.35
1964	92	6,622	1.39	+ 5	355	+ 1.41
1965	103	7,076	1.46	+ 11	454	+ 2.43
1966	116	7,531	1.54	+ 13	455	+ 2.86
1967	118	7,988	1.48	+ 2	457	+ 0.44
				<u>36*</u>	<u>+ 2092</u>	

Increase
during
the period :
Actual
Percentage 36
 43.92,092
35.5

Total new outlets
commissioned
Less outlets decom-
missioned
Net increase

40
4
36

Co's contribution
to total

1.7%

TABLE I—WHOLLY FINANCED BY COMPANY

ROS on	B-Shell	Esso	Caltex	IOC	IBP	AOC	Total
1-1-62	2198	665	367	..	99	42	3371
% to Cos total	73.96	45.45	30.56	..	55.93	51.22	57.17
1-1-63	2286	725	414	1	105	42	3573
% to Cos total	73.27	46.39	32.17	4.35	56.15	48.28	57.01
1-1-64	2410	763	460	11	105	40	3789
% to Cos total	74.22	46.61	33.72	11.7	55.85	43.48	57.22
1-1-65	2400	796	490	30	115	44	3875
% to Cos total	70.57	46.25	34.43	13.22	57.21	42.72	54.76
1-1-66	2477	850	527	83	133	45	4115
% to Cos total	71.84	48.30	37.56	14.12	61.57	38.79	54.64
1-1-67	2505	869	531	107	139	45	4196
% to Cos total	72.48	48.66	38.99	10.23	63.18	38.14	52.53

TABLE II—PARTLY FINANCED BY COMPANY

1-1-62	156	..	18	..	54	..	228
% to Cos total	5.25	..	1.5	..	30.51	..	3.87
1-1-63	177	..	19	..	58	..	254
% to Cos total	5.67	..	1.48	..	31.02	..	4.05
1-1-64	170	..	18	..	60	..	248
% to Cos total	5.24	..	1.32	..	31.91	..	3.75
1-1-65	328	..	19	..	66	..	413
% to Cos total	9.64	..	1.34	..	32.84	..	5.84
1-1-66	332	..	19	..	64	..	415
% to Cos total	9.63	..	1.35	..	29.63	..	5.51
1-1-67	299	..	19	..	63	..	381
% to Cos total	8.65	..	1.40	..	28.64	..	4.77

TABLE III—FINANCED BY OUTSIDE PARTIES

ROs on	B-Shell	Esso	Caltex	IOC	IBP	AOC	Total
1-1-62	618	798	816	1	24	40	2297
% to Cos total	20.79	54.55	67.94	100	13.56	48.78	38.96
1-1-63	657	838	854	22	24	45	2440
% to Cos total	21.06	53.61	66.36	95.65	12.83	51.72	38.93
1-1-64	667	874	886	83	23	52	2585
% to Cos total	20.54	53.39	64.96	88.3	12.23	56.52	39.04
1-1-65	673	925	914	197	20	59	2788
% to Cos. total	19.79	53.75	64.23	86.78	9.95	57.28	39.40
1-1-66	639	910	857	505	19	71	3001
% to Cos. total	18.53	51.70	61.08	85.88	8.80	61.21	39.85
1-1-67	652	917	812	939	18	73	2411
% to Cos. total	18.87	51.34	59.62	89.77	8.18	61.86	42.70



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BOMBAY

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	95	71,456	63	51	46,008	75	35	21,448	51	..	..	..	11	5,607	43	192	1,44,519	63
1963	97	70,443	61	51	46,226	76	36	21,528	50	..	..	..	10	5,315	44	194	1,43,512	62
1964	98	72,615	62	52	48,571	78	36	22,812	53	2	474	20	10	5,311	44	198	1,49,783	63
1965	98	76,237	65	55	54,261	82	37	24,095	54	10	2,536	21	11	5,518	42	211	1,62,648	63
1966	98	76,440	65	57	57,155	84	37	27,886	63	12	5,307	37	11	5,572	42	215	1,72,360	67
% variation in 1966 over 1962																		(→) (→)
																		0.6 2.3 11.9 19.3 6.35
<i>High Speed Diesel Oil</i>																		
1962	66	24,998	32	34	9,834	24	23	6,698	24	..	..	..	5	1,152	19	128	42,682	28
1963	68	26,675	33	35	10,415	25	24	7,097	25	..	..	..	5	1,136	19	132	45,323	29
1964	70	26,401	31	37	11,077	25	25	6,991	23	2	84	4	5	1,041	17	139	45,594	27
1965	71	28,745	34	39	13,403	29	26	6,772	22	8	472	5	6	1,036	14	150	50,428	28
1966	71	29,675	35	40	12,630	27	26	8,010	26	9	1,574	15	5	1,065	18	151	52,954	29
% variation in 1966 over 1962																		(→) (→) 7.6 5.3 18.0 24.1 3.6

N.B.—Col. 1—Average number of Retail outlets.

Col. 2—Sales through Retail outlets during the year in K.L.

Col. 3—Average sales in K.L. per month per Retail outlet.

CALCUTTA

Motor Spirit

6—1 M. of P. & C./67

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1		2	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	78	32,977	35	43	22,658	44	28	11,009	33	..	..	..	24	9,360	33	173	76,004	37
1963	79	34,672	36	45	24,258	45	30	11,126	31	1	..	..	24	9,055	31	179	79,111	37
1964	85	38,760	38	46	25,657	47	32	11,329	30	3	285	8	24	9,625	33	190	85,656	38
1965	88	41,555	39	51	28,599	47	32	11,611	30	14	1,185	7	25	9,983	33	210	92,933	37
1966	90	43,683	40	58	29,762	43	32	12,536	33	25	3,374	11	24	9,449	33	229	98,804	36
% variation in 1966 over 1962		15.4	32.5	14.3	34.9	31.4	2.3	14.3	13.9	..	..	0.95	..	32.4	30.0	($\frac{-}{-}$)	2.7	
<i>High Speed Diesel Oil</i>																		
1962	52	8,398	13	27	2,606	8	15	3,002	17	..	..	..	24	3,863	13	118	17,869	13
1963	55	9,388	14	29	3,801	11	16	3,334	17	2	..	..	24	3,633	13	126	20,156	13
1964	58	10,528	15	32	4,051	11	18	3,644	17	5	542	9	24	4,130	14	137	22,895	14
1965	70	11,286	13	39	5,678	12	19	4,087	18	15	2,226	12	25	4,298	14	168	27,575	14
1966	71	12,690	14	45	7,703	14	19	5,685	25	28	3,837	11	15	2,861	16	178	32,776	15
% variation in 1966 over 1962		36.5	51.1	57.7	66.7	195.6	75.0	26.7	89.4	47.1	($\frac{-}{-}$)	25.9	23.1	50.8	83.4	15.4		

Motor Spirit

DELHI

Annexure-3. Sheet No. 3(3)

Year	Burmah-Shell			Esso			Caltex			I.O.C.			IB.P.			Total					
	1		2	1		2	3		1	3		1	2		3	1		2	3		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	61	32,248	44	32	14,339	37	28	10,438	31	1	38	3	8	4,353	45	130	61,416	39			
1963	62	32,656	44	33	15,139	38	29	10,471	30	4	771	16	8	4,497	47	136	63,534	39			
1964	63	32,970	44	33	15,444	39	31	10,747	29	5	2,352	39	8	4,608	48	140	66,121	39			
1965	62	36,184	49	34	16,125	40	34	11,315	28	13	3,942	25	8	5,204	54	151	72,770	40			
1966	60	36,576	51	35	17,528	42	34	13,516	33	21	7,731	31	10	5,540	46	160	80,891	42			
% variation in 1966 over 1962		1.6	13.4	15.99	9.4	22.2	13.5	21.4	29.5	6.5					25.0	27.3	2.2	23.1	31.7	7.7	
<i>High Speed Diesel Oil</i>																					
1962	45	25,250	47	25	14,498	48	16	6,762	35	6	2,346	33	92	48.8	44		
1963	46	25,781	47	26	16,574	53	18	7,212	33	2	54	2	6	2,388	33	98	52,009	4			
1964	49	26,170	45	27	17,322	54	21	7,122	28	4	371	8	7	2,142	26	108	53,127	41			
1965	51	28,240	46	27	16,107	50	22	7,052	27	20	3,672	15	7	2,958	35	127	58,029	38			
1966	46	24,945	45	28	17,506	52	22	7,385	28	24	10,676	37	8	3,550	37	128	64,062	42			
% variation in 1966 over 1962		2.2	1.2	(4.3)	12.0	20.7	8.3	37.5	9.2	(20.0)					33.3	51.3	12.1	39.13	31.12	(4.5)	

MADRAS

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	46	15,612	28	37	11,903	27	22	7,626	29	..	..	..	105	35,141	28
1963	52	14,281	23	38	11,999	26	24	7,727	27	..	..	..	114	34,007	25
1964	69	15,672	22	41	12,715	26	26	8,006	26	1	16	1	127	36,409	24
1965	65	17,064	22	43	12,670	25	26	8,012	26	5	493	8	139	38,239	23
1966	66	16,817	21	42	13,014	26	26	8,902	29	9	1,343	13	143	40,076	23
% variation in															
1966 over 1962	13.5	7.7	([→] 25.0)	13.5	9.3	([→] 3.7)	18.2	16.7	..				36.2	14.0	([→] 17.9)
High Speed Diesel Oil															
1962	28	18,823	56	23	8,132	29	12	2,775	19	..	..	..	63	29,730	39
1963	34	18,110	44	22	7,865	30	14	3,246	19	..	..	..	70	29,221	35
1964	39	15,652	33	21	6,574	26	14	3,121	19	1	37	3	75	25,384	28
1965	45	14,938	28	20	5,739	24	14	3,333	20	3	2,060	57	82	26,070	26
1966	46	15,560	28	19	6,512	29	14	4,400	26	3	1,276	35	82	27,748	28
% variation in															
1966 over 1962	([→] 64.3)	([→] 17.3)	([→] 50.0)	([→] 17.4)	([→] 19.9)	..	16.7	58.6	36.8				30.2	([→] 6.7)	([→] 28.2)

THE FOUR 'A' CLASS TOWNS

BOMBAY, CALCUTTA, DELHI, MADRAS

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	230	1,52,293	45	163	94,908	49	113	50,521	37	1	38	3	43	19,320	37	600	3,17,080	44,04	
1963	290	1,52,052	44	167	97,622	42	119	50,852	36	..	771	13	42	18,867	37	623	3,20,164	42,83	
1964	305	1,60,017	44	172	1,02,387	50	125	52,894	35	11	3,127	24	42	19,544	39	655	3,37,969	43,00	
1965	313	1,71,040	46	183	1,11,655	51	129	55,034	36	42	8,156	16	44	20,705	39	711	3,66,590	42,97	
1966	314	1,73,516	46	192	1,17,459	51	129	62,840	41	67	17,755	22	45	20,561	38	747	3,92,131	43,74	
% variation in 1966 over 1962	12.1	13.9	2.2	17.8	23.8	4.1	14.2	24.4	10.8	..	..	4.7	6.4	2.7	24.5	23.7	0.68	
<i>High Speed Diesel Oil</i>																			
1962	191	77,469	34	109	35,070	27	66	19,237	24	35	7,361	18	401	1,39,137	28.91
1963	203	79,954	33	112	38,655	29	72	20,889	24	4	54	1	35	7,157	17	426	1,46,709	28.69	
1964	216	78,751	30	117	39,024	28	78	20,878	22	12	1,034	7	36	7,313	17	459	1,47,000	26.69	
1965	237	83,209	29	125	40,927	27	81	21,244	22	46	8,430	15	38	8,292	18	527	1,62,102	25.63	
1966	234	82,870	30	132	44,351	28	81	25,480	26	64	17,363	23	28	7,476	22	539	1,77,540	27.44	
% variation in 1966 over 1962	22.5	7.0	($\frac{1}{1.8}$)	21.1	26.5	3.7	22.7	32.5	8.3	..	..	..	..	20.0	1.6	22.2	34.4	27.6

Motor Spirit

26 Selected Towns—AGRA

Annexure-3. Sheet No. 3(6)

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1		2	1		2	1		2	1		2	1		2	1		3	
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	7	860	10	6	832	12	5	745	12	..	..	..	1	148	12	19	2,585	11
1963	7	926	11	6	805	11	5	770	13	..	..	..	1	169	14	19	2,670	12
1964	7	1,047	12	6	841	12	5	623	10	..	..	..	1	112	9	19	2,623	12
1965	8	1,071	11	6	1,006	15	5	691	12	1	27	2	1	115	10	21	2,910	12	
1966	9	1,207	11	6	1,237	19	6	839	11	3	25	1	2	124	5	26	3,432	11	
% variation in 1966 over 1962																			
	28.6	40.3	10.0	..	148.7	58.3	20.0	12.6	8.3	100	16.2	58.3	36.8	32.8	..

High Speed Diesel Oil

Year	B.P.			I.B.P.			Total												
	1		2	1		2	1		3										
	1	2	3	1	2	3	1	2	3										
1962	6	2,166	30	6	1,245	17	5	1,500	25	..	..	..	1	190	16	18	5,101	24
1963	6	2,406	33	6	1,227	17	5	1,800	30	..	..	..	1	224	19	18	5,657	26
1964	6	2,107	29	6	1,187	16	5	1,926	32	..	..	..	1	258	22	18	5,478	25
1965	7	2,062	25	6	1,102	15	5	1,643	27	3	1,040	29	2	697	29	23	6,544	24	
1966	9	2,471	23	7	1,216	16	6	1,700	24	3	1,389	39	2	897	37	27	7,673	24	
% variation in 1966 over 1962										(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)	
	50.0	14.1	23.3	16.7	2.3	5.9	20.0	13.3	4.0	100	372.1	131.3	50.0	50.4	..

Annexure-3. Sheet No. 3(7)

26 Selected Towns—AHMEDABAD

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1		2	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	14	5,694	34	11	3,987	30	7	2,959	35	..	..	..	5	1,558	26	37	14,198	32
1963	17	6,333	31	13	4,667	31	8	2,721	30	..	..	..	5	1,868	23	43	15,089	29
1964	20	7,031	29	14	4,905	29	9	2,955	27	..	..	..	5	1,192	20	48	16,083	28
1965	21	8,461	34	13	4,527	29	9	3,027	28	3	38	1	3	1,125	19	51	17,178	28
1966	22	10,390	39	13	4,556	30	9	3,155	30	4	326	7	5	1,065	18	53	19,492	31
% variation in 1966 over 1962	57.1	82.5	14.7	18.1	14.3	..	28.5	6.6	14.3	..	..	..	..	(-) 31.6	(-) 30.8	43.2	37.3 3.1	(-) 3.1
<i>High Speed Diesel Oil</i>																		
1962	9	1,859	17	6	1,088	15	7	1,932	23	..	..	..	1	847	18	26	5,726	18
1963	12	1,888	13	8	1,385	15	8	2,310	24	..	..	..	4	944	20	32	6,527	17
1964	25	2,258	13	9	1,620	15	9	2,264	21	..	..	..	4	937	20	37	7,079	16
1965	14	2,714	16	9	1,977	18	9	2,012	19	3	442	12	4	849	18	39	7,994	17
1966	14	3,574	21	9	1,940	19	9	2,245	21	4	773	18	4	769	16	40	9,301	19
% variation in 1966 over 1962	55.6	92.3	23.5	50.0	78.3	26.7	28.6	61.62	(-) 8.7	..	..	..	..	(-) 9.2	(-) 11.1	53.8	62.41	11.1

26. Selected Towns—ALLAHABAD

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1		2	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	10	1,320	11	4	588	12	6	675	9	..	..	..	1	84	7	21	2,667	11
1963	11	1,509	11	4	598	12	6	546	8	..	..	..	1	101	8	22	2,754	10
1964	13	1,520	10	4	683	14	6	835	12	..	..	..	1	109	9	24	3,147	11
1965	14	1,727	10	5	753	13	6	911	13	1	9	1	1	123	10	27	3,523	11
1966	16	2,388	12	6	638	10	6	960	13	3	92	3	1	166	14	32	4,244	11
% variation in 1966 over 1962	60.0	80.9	9.1	50.0	8.5	16.7	...	42.2	44.4	..	..	..	..	97.6	100	52.4	59.1	..
High Speed Diesel Oil																		
1962	9	2,270	21	5	1,552	26	6	1,868	26	..	..	..	..	..	..	20	5,690	24
1963	10	2,563	21	5	1,365	23	6	2,204	31	..	..	..	..	..	..	21	6,132	24
1964	11	2,737	21	5	1,393	23	7	2,026	24	..	..	..	..	..	..	23	6,156	22
1965	12	2,840	20	6	1,455	20	8	1,658	17	1	222	19	..	..	..	27	6,175	19
1966	14	4,908	29	6	1,411	20	6	1,715	24	3	759	21	..	..	..	29	8,793	25
% variation in 1966 over 1962	55.6	116.2	38.1	20.0	9.1	23.1	..	8.2	1.7	..	..	..	..	..	..	45.0	54.5	4.2

Motor Spirit

26. Selected Towns — AMRITSAR

Annexure-3. Sheet No. 3(9)

82

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total			
	1		2	1		2	1		2	1		2	1		3	
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	8	1,312	14	5	783	13	5	710	12	..	..	..	18	2,805	13
1963	8	1,373	14	5	782	13	5	798	13	..	..	..	18	2,953	14
1964	8	1,317	14	6	1,016	15	6	747	10	..	..	..	20	3,080	13
1965	8	1,375	14	6	1,150	16	5	755	12	1	73	6	20	3,353	14	
1966	8	1,420	15	6	1,307	18	4	831	17	2	88	4	20	3,646	15	
% variation in 1966 over 1962	..	8.2	7.1	20.0	66.9	38.5	(-)	20	17.0	41.7	..	..	11.1	30.0	15.4
<i>High Speed Diesel Oil</i>																
1962	8	1,812	19	5	1,342	22	4	1,690	35	..	..	..	17	4,814	24
1963	8	2,033	21	5	1,351	23	4	1,793	37	..	..	..	17	5,177	25
1964	8	1,896	20	6	1,144	17	4	1,733	36	..	..	..	18	4,773	22
1965	8	1,708	18	6	1,095	15	4	1,306	27	1	465	39	19	4,574	20	
1966	8	1,944	20	6	1,575	22	3	1,169	32	2	752	31	19	5,440	24	
% variation in 1966 over 1962	..	7.3	5.31	20.0	20.0	..	(-)	25.0	30.8	(-)	8.6	11.8	13.0	..

Motor Spirit

26. Selected Towns—BANGALORE

Annexure-3. Sheet No. 3(10).

Year	Burmah-Shell			Esso			Castrol			I.O.C.			Total			
	1		2	1		3	1		2	1		3	1		2	
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	35	8,940	21	24	5,835	20	15	3,739	21	11	11	11	74	18,514	21	
1963	38	9,671	21	24	6,140	21	17	4,046	20	11	11	11	79	19,857	21	
1964	40	10,035	21	24	7,222	25	17	4,241	21	11	11	11	91	21,498	22	
1965	48	10,988	21	26	8,069	26	18	4,364	20	14	112	12	91	23,533	22	
1966	46	12,369	22	27	8,620	27	18	4,404	20	15	403	7	96	25,796	22	
<i>% variation in 1966 over 1962</i>																
	31.4	38.4	4.8	12.5	47.7	35.0	20.2	17.8	(—)	4.8	11	11	11	29.7	39.3	4.8
<i>High Speed Diesel Oil</i>																
1962	27	9,589	30	20	4,774	20	13	3,661	23	11	11	11	60	18,024	25	
1963	33	10,151	26	20	6,561	27	15	3,938	22	11	11	11	68	20,650	25	
1964	35	10,016	24	20	7,212	30	15	4,771	27	11	11	11	70	21,999	26	
1965	36	9,262	21	22	6,595	25	16	5,191	27	5	1,563	26	79	22,611	24	
1966	38	11,980	26	23	6,866	25	16	5,402	28	7	2,149	26	84	26,397	26	
<i>% variation in 1966 over 1962</i>																
	40.7	84.9	(—)	15.0	43.8	25.0	23.1	47.6	21.7	...	...	...	40.0	46.5	4.0

Motor Spirit

26. Selected Towns—BARODA

Annexure—3 Sheet No. 3(11)

Year	Burmah-Shell			Esso			Castrol			I. O. C.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	8	1,945	20	3	1,011	28	3	1,633	45	..	..	..	14	4,589	27
1963	9	2,218	21	3	1,396	39	3	1,536	43	..	..	..	15	5,150	29
1964	9	2,279	21	3	1,690	47	3	1,757	49	..	..	..	15	5,726	32
1965	9	2,575	24	3	1,874	52	3	1,919	53	..	..	..	15	5,368	35
1966	10	2,935	24	3	1,892	53	3	1,759	49	..	..	..	16	6,586	34
% variation in 1966 over 1962	25.0	50.9	20.0	..	37.1	89.3	..	7.7	8.9	..	..	..	14.3	43.5	25.9
<i>High Speed Diesel Oil</i>															
1962	6	856	12	3	423	12	2	1,106	46	..	..	..	11	2,385	13
1963	7	1,090	13	3	772	21	3	1,240	34	..	..	..	13	3,102	20
1964	7	1,479	18	3	849	24	3	1,578	44	..	..	..	13	3,906	25
1965	7	1,742	21	3	1,225	34	3	1,457	40	..	..	..	13	4,424	28
1966	8	1,878	20	3	1,203	33	3	1,476	41	..	..	..	14	4,557	27
% variation in 1966 over 1962	33.3	119.4	66.7	..	184.4	175.0	50.0	33.0	(—)	10.9	..	..	27.3	91.1	50.0

26. Selected Towns—COCHIN/ERNAKULAM

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	12	2,911	20	6	1,144	16	4	626	13	..	..	..	22	4,681	18
1963	13	3,204	21	6	1,166	16	4	607	13	..	..	..	23	4,977	18
1964	14	3,570	21	6	1,192	17	4	620	13	..	..	..	24	5,382	19
1965	15	4,200	23	6	1,500	21	4	603	13	1	10	1	26	6,313	20
1966	16	4,592	24	6	1,539	21	4	636	13	2	200	8	28	6,967	21
% variation in 1966 over 1962	33.3	57.7	20.0	..	34.5	31.3	..	1.6	..	..	..	..	27.2	48.8	16.7
<i>High Speed Diesel Oil</i>															
1962	12	2,269	16	5	1,383	23	4	415	9	1	..	..	22	4,067	15
1963	13	2,660	17	5	1,322	22	4	402	9	2	259	11	24	4,643	16
1964	14	2,796	17	5	860	14	4	438	9	2	522	22	25	4,616	15
1965	15	3,360	19	5	539	9	4	463	10	2	1,470	61	26	5,832	19
1966	16	4,126	21	5	819	14	4	492	10	3	1,339	37	28	6,776	20
% variation in 1966 over 1962	33.3	81.8	31.3	..	40.8	39.1	..	18.6	11.1	..	..	..	27.3	66.6	33.3

26. Selected Towns—COIMBATORE

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total				
	1		2	1		2	1		2	3		1	2	3	1	2	3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	13	3,631	23	6	1,639	23	6	1,644	23	..	..	..	..	..	25	6,914	23
1963	15	3,665	20	8	1,696	19	8	2,045	23	..	..	..	..	..	31	7,346	20
1964	17	3,856	19	9	1,770	16	9	2,143	20	..	..	..	..	..	35	7,769	18
1965	18	4,152	19	9	1,965	18	9	2,398	22	2	108	4	38	8,623	19		
1966	18	4,072	19	9	2,087	19	9	2,913	27	3	225	6	39	9,297	20		
% variation in 1966 over 1962	38.5	12.1	17.4	50.0	27.3	117.4	50.0	77.2	17.3	..	..	..	..	..	56.0	34.4	13.0
(—)																	
High Speed Diesel Oil																	
1962	12	4,622	32	5	2,756	46	6	1,492	21	..	..	..	..	..	23	8,870	32
1963	15	5,594	31	7	3,161	41	6	1,767	27	2	16	1	30	10,538	29		
1964	16	7,008	37	8	2,062	21	7	1,493	18	2	288	12	33	10,851	27		
1965	16	7,560	39	8	1,368	14	7	1,294	15	3	2,753	77	34	12,975	32		
1966	16	8,572	45	8	2,090	22	7	1,499	18	3	1,350	38	34	13,511	33		
% variation in 1966 over 1962	33.3	85.5	40.6	60.0	24.2	52.2	17.7	0.5	14.3	..	..	..	..	..	47.8	52.3	3.1
	(—)			(—)			(—)			(—)			(—)			(—)	

26. Selected Towns—GWAHAR

Motor Spirit

Year	Burmah-Snell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	7	897	11	2	273	11	3	390	11	..	..	..	1	246	21	13	1,806	12
1963	8	990	10	2	340	14	3	350	10	..	..	..	1	248	21	14	1,928	11
1964	8	967	10	2	320	13	4	460	10	..	..	..	1	298	17	15	1,955	11
1965	8	941	10	3	588	16	4	450	9	..	..	..	1	267	22	16	2,246	12
1966	8	1,077	11	3	651	18	4	467	10	1	..	..	1	298	25	17	2,493	12
% variation in 1966 over 1962	..	14.3	20.0	..	50.0	138.5	63.6	33.3	19.7	9.1	(—)	21.1	19.0	30.8	38.0	..
High Speed Diesel Oil																			
1962	6	1,892	26	1	154	13	3	360	10	..	..	..	1	27	2	11	2,433	18
1963	7	3,156	38	1	241	20	3	520	14	..	..	..	1	61	5	12	3,978	28
1964	7	3,870	46	1	120	10	4	735	15	..	..	..	1	55	5	13	4,780	31
1965	7	3,582	43	2	513	21	4	652	14	..	..	..	1	69	6	14	4,816	29
1966	6	3,835	54	2	517	22	4	634	13	1	9	1	1	50	4	14	5,065	30	
% variation in 1966 over 1962	..	103.8	107.7	100.2	35.7	69.2	33.3	76.1	30.0	..	..	..	..	85.2	100	27.3	107.8	77.8

26. Selected Towns—HYDERABAD/SECUNDERABAD

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	39	8,808	19	20	3,914	16	14	2,756	16	..	..	..	3	504	14	76	15,982	18
1963	41	9,252	19	20	4,360	18	14	3,056	18	..	..	..	3	456	13	78	17,124	18
1964	45	10,380	19	21	4,552	19	14	3,113	19	..	..	..	3	510	14	83	18,555	19
1965	48	11,424	20	21	4,248	17	16	3,889	20	3	576	16	4	556	12	92	20,693	19
1966	47	11,751	21	23	5,257	19	18	4,316	20	7	1,743	21	4	827	17	99	23,894	20

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% variation in
1966 over
1962

20.5	33.4	10.5	15.0	34.3	3.8	28.6	56.6	25.0	33.3	64.1	21.4	30.3	49.5	11.1
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High Speed Diesel Oil

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	35	5,736	14	17	2,436	12	10	2,234	19	..	..	..	3	102	3	65	10,508	13
1963	35	5,880	14	17	2,879	14	11	2,371	18	..	..	..	3	111	3	66	11,241	14
1964	38	5,459	12	18	3,045	14	11	2,460	19	..	..	..	3	102	3	70	11,066	12
1965	41	6,360	13	18	2,629	12	12	2,938	20	3	306	9	4	283	6	78	12,516	13
1966	40	6,398	13	20	3,681	15	13	3,593	24	6	2,856	40	4	575	12	83	17,203	17

% variation in
1966 over
1962

26. Selected Towns—INDORE

Motor Spirit

Annexure-3. Sheet No. 3(16).

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	11	1,572	12	8	1,119	12	5	763	13	1	13	1	3	119	3	28	3,586	11	
1963	11	1,396	11	8	1,106	12	5	763	13	1	130	11	3	104	3	28	3,499	10	
1964	11	1,117	11	8	1,060	11	6	906	13	1	242	20	3	119	3	29	3,744	11	
1965	11	1,422	11	8	1,143	12	6	1,158	16	1	300	25	3	139	4	29	4,162	12	
1966	11	1,562	12	8	1,375	14	6	1,166	16	1	283	24	3	161	4	29	4,545	13	
% variation in 1966 over 1962		(-)	0.6	..	..	22.7	16.7	20.0	52.8	23.1	..	..	..	35.3	33.3	3.6	26.7	18.2
<i>High Speed Diesel Oil</i>																			
1962	10	3,384	28	8	2,136	22	7	1,476	18	1	16	1	3	1,436	40	29	8,448	24	
1963	10	4,175	35	8	2,101	22	7	1,740	21	1	24	2	3	1,066	30	29	9,106	26	
1964	10	4,023	34	8	1,726	18	7	1,901	23	1	27	2	3	1,168	32	29	8,845	25	
1965	10	4,221	35	8	2,009	21	7	1,632	19	1	282	24	3	1,274	35	29	9,418	27	
1966	10	4,301	36	8	1,768	18	7	1,840	22	1	275	23	3	830	23	29	9,014	26	
% variation in 1966 over 1962		27.1	28.6	..	(-)	(-)	17.2	18.2	..	24.7	22.2	42.2	42.5	..	6.7	8.3

26 Selected Towns—JABALPUR

Annexure-3. Sheet No. 3(17)

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1		2	1		2	1		2	1		2	1		2	1		3	
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	10	1,002	8	6	696	10	4	570	12	—	—	—	1	129	11	21	2,397	10	
1963	11	1,017	8	7	786	10	5	556	9	—	—	—	2	181	8	25	2,540	8	
1964	11	1,221	9	8	860	9	5	538	9	—	—	—	3	217	6	27	2,836	9	
1965	11	1,315	10	9	848	8	5	553	9	2	107	4	3	259	7	30	3,082	9	
1966	11	1,313	10	8	886	9	5	566	9	2	347	14	3	226	6	29	3,338	10	
% variation in 1966 over 1962																			
	10.0	31.0	25.0	33.3	27.3	10.0	25.0	0.7	23.0	200	75.2	45.5	38.1	39.3	..
<i>High Speed Diesel Oil</i>																			
1962	9	1,382	13	6	1,450	20	4	1,277	27	—	..	..	1	463	39	20	4,572	19
1963	10	1,939	16	7	1,739	22	5	1,301	22	..	..	..	2	538	22	24	5,517	19
1964	10	1,837	15	8	1,715	18	5	1,320	22	..	..	..	3	525	15	26	5,397	17
1965	10	2,276	19	9	1,924	19	5	1,146	19	2	425	18	3	457	13	29	6,228	18	
1966	10	2,108	18	8	1,438	15	5	1,039	17	3	932	26	2	253	11	28	5,770	17	
% variation in 1966 over 1962																			
	11.1	52.5	38.4	33.3	0.8	25.0	25.0	18.6	137.0	..	..	..	100	45.4	71.8	40.0	26.2	(10.5)

26 Selected Towns—JAIPUR

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1		2	1		3	1		3	1		3	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	12	2,358	16	10	1,938	16	7	1,540	18	..	..	..	29	5,836	17
1963	13	1,904	12	10	2,077	17	8	1,575	16	..	..	..	31	5,556	15
1964	13	1,828	12	10	2,133	18	9	1,614	15	2	174	7	34	5,749	14
1965	14	1,694	10	10	2,478	21	10	1,541	13	4	519	11	38	6,232	14
1966	14	2,243	13	11	2,777	22	10	1,621	14	4	772	16	39	7,413	16
% variation in 1966 over 1962	16.7	([—] 4.9)	([—] 18.7)	10.0	([—] 43.3)	([—] 37.5)	42.9	([—] 5.3)	([—] 22.2)	..	..	..	34.5	27.0	([—] 5.9)
<i>High Speed Diesel Oil</i>															
1962	11	1,696	13	10	2,415	20	7	2,250	27	..	..	..	28	6,361	19
1963	12	1,932	13	10	2,394	20	8	2,300	24	..	..	..	30	6,626	18
1964	12	2,034	14	10	2,287	19	9	2,348	22	2	519	21	33	7,188	18
1965	13	1,961	13	10	2,455	20	10	2,059	17	4	1,670	35	37	8,145	18
1966	13	3,224	21	11	2,881	23	10	2,099	17	4	1,933	40	38	10,137	22
% variation in 1966 over 1962	18.2	90.1	61.5	10.0	19.3	15.0	42.9	([—] 6.7)	([—] 37.0)	..	..	..	35.7	59.4	15.8

26 Selected Towns—JAMSHEDPUR

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1			2			1			2			1			2		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	7	2,092	25	6	1,652	23	4	1,780	37	..	..	..	1	175	15	18	5,699	26
1963	7	2,138	25	6	1,709	24	4	1,790	37	..	..	..	1	106	9	18	5,743	27
1964	8	2,216	23	6	1,593	22	4	1,785	37	1	72	6	1	115	10	20	5,781	24
1965	8	2,351	24	6	1,670	23	4	1,605	33	1	233	18	1	106	9	20	5,965	25
1966	8	2,880	30	6	1,895	26	4	1,663	34	1	370	31	1	64	5	20	6,872	29
% variation in 1966 over 1962																		
	14.3	37.7	20.0	..	14.7	13.0	..	..	..	..	..	..	..	63.4	66.7	11.1	20.6	11.5
<i>High Speed Diesel Oil</i>																		
1962	7	1,501	18	6	1,102	15	4	875	18	..	..	..	1	149	12	18	3,627	17
1963	7	1,319	16	6	1,518	21	4	944	19	..	..	..	1	87	7	18	3,868	18
1964	8	1,023	11	6	962	13	4	788	16	1	26	2	1	185	15	20	2,984	12
1965	8	1,201	13	6	669	9	4	613	13	1	257	21	1	208	17	20	2,948	12
1966	8	1,320	14	6	913	13	4	733	15	1	258	22	1	81	7	20	3,305	14
% variation in 1966 over 1962																		
	12.1	22.2	..	17.2	13.3	..	16.2	16.7	..	..	..	..	..	45.6	41.7	11.1	8.9	17.7

26 Selected Towns—KANPUR

Major Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	.	10	2,040	17	10	1,316	11	6	790	11	..	..	2	432	18	28	1,578	14
1963	.	12	2,416	17	11	1,932	15	6	644	9	..	..	2	410	17	31	5,402	15
1964	.	13	2,565	16	12	2,075	14	6	807	11	1	8	1	3	530	15	35	5,985	14
1965	.	14	2,976	18	13	2,262	15	6	811	11	2	60	3	3	742	21	38	6,851	15
1966	.	16	3,249	17	13	2,375	15	6	835	12	2	101	4	3	759	21	40	7,319	15
% variation in 1966 over 1962		60.0	59.3	..	30.0	80.5	36.4	..	5.7	9.1	..	..	50.0	75.7	16.7	32.9	59.9	7.1
<i>High Speed Diesel Oil</i>																			
1962	.	6	2,160	30	6	1,711	24	5	65	11	2	563	23	19	5,069	22
1963	.	9	3,486	32	7	2,304	30	5	1,036	17	..	..	2	618	25	23	7,444	27
1964	.	12	3,696	26	8	2,143	22	6	1,055	15	1	48	4	3	624	17	30	7,566	21
1965	.	15	4,848	27	9	2,716	6	1,334	19	2	238	10	3	652	18	35	9,788	23	
1966	.	17	5,026	25	9	3,941	6	1,644	23	2	494	21	2	485	20	36	11,590	27	
% variation in 1966 over 1962		(—)	132.7	(—)	50.0	130.0	50.0	20.0	158.9	109.1	(—)	13.9	13.0	89.5	128.6	22.7

26 Selected Towns—LUCKNOW

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total			
	1		2	1		2	1		2	1		2	1		2	1		3	
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	.	9	1,840	17	7	874	10	6	1,142	16	..	..	2	331	14	24	4,187	15
1963	.	10	2,105	18	7	833	10	6	1,150	16	..	..	2	294	12	25	4,382	15
1964	.	10	2,161	18	7	710	9	6	1,404	20	1	8	1	289	12	26	4,738	15	
1965	.	10	2,220	19	6	851	12	6	1,509	21	2	63	3	2	313	13	26	5,412	16
1966	.	10	2,717	23	6	917	13	5	1,603	27	2	81	3	2	358	15	25	6,367	20
<i>% variation in 1966 over 1962</i>																			
		11.1	47.7	35.3	(—)	4.3	4.9	30.0	16.7	40.4	68.8	8.2	7.1	4.46	52.1	33.3
<i>High Speed Diesel Oil</i>																			
1962	.	9	1,296	12	7	1,306	16	4	1,128	24	..	..	1	368	31	21	4,098	16
1963	.	9	1,947	12	7	1,426	17	4	1,405	29	..	..	1	350	29	21	4,428	18
1964	.	10	1,332	11	7	1,624	21	4	1,412	30	1	16	1	422	35	23	5,309	19	
1965	.	10	1,464	12	6	1,811	25	4	1,015	21	2	428	18	1	439	37	23	6399	23
1966	.	9	1,390	13	6	2,289	32	4	949	20	2	698	29	1	330	28	22	6891	26
<i>% variation in 1966 over 1962</i>																			
		..	7.3	8.3	14.3	75.3	100	..	15.9	17.0	10.3	9.7	4.76	68.2	62.5

26 Selected Towns—MADRAS

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1		2	1		2	1		2	1		2	1		2
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	9	2,070	19	6	1,081	15	4	830	17	..	..	..	19	3,981	17
1963	10	2,040	17	6	1,014	14	5	925	17	..	..	..	21	3,979	16
1964	11	2,167	16	6	970	13	6	1,098	15	..	..	..	23	4,235	15
1965	11	2,292	17	6	1,071	15	6	1,348	19	1	17	1	24	4,728	16
1966	11	2,462	19	6	1,136	16	4	859	18	4	457	10	25	4,914	16
% variation in 1966 over 1962	22.2	18.9	..	..	5.1	6.7	..	3.5	5.9	..	..	..	31.6	23.4	(—) 5.9
<i>High Speed Diesel Oil</i>															
1962	7	6,157	73	6	2,110	29	4	1,130	24	..	..	..	17	9,397	46
1963	9	6,138	57	6	2,454	34	5	1,290	24	..	..	..	20	9,882	41
1964	10	5,806	48	6	2,222	31	6	1,696	24	..	..	..	22	9,724	37
1965	10	6,288	52	6	2,015	28	6	1,734	24	2	168	.7	24	10,205	35
1966	10	7,476	62	6	1,706	24	4	960	20	5	2,692	45	25	12,884	43
% variation in 1966 over 1962	42.9	21.4	(—) 15.1	..	(—) 19.1	(—) 17.2	..	(—) 15.0	(—) 16.7	..	..	..	47.1	36.6	(—) 6.5

26 Selected Towns—MYSORE

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	11	1,583	12	5	1,029	17	4	561	12	..	..	..	20	3,173	13
1963	12	1,782	18	6	914	14	4	520	11	..	..	..	22	3,216	12
1964	13	1,855	12	6	1,007	14	4	520	11	..	..	..	23	3,382	12
1965	13	2,120	14	6	1,135	16	4	499	10	..	..	..	23	3,754	14
1966	13	2,465	16	6	1,139	16	4	557	12	1	24	2	24	4,185	15
% variation in 1966 over 1962	18.2	55.7	33.3	20.0	10.6	5.9	..	0.7	..	..	..	..	20.0	31.9	15.4
<i>High Speed Diesel Oil</i>															
1962	11	2,418	18	4	67	10	5	1,240	21	..	..	..	20	4,125	17
1963	12	2,688	19	5	531	10	5	1,164	19	..	..	..	22	4,383	17
1964	13	2,478	16	5	791	13	5	1,282	21	..	..	..	23	4,551	16
1965	13	2,336	15	5	869	14	5	1,066	18	1	8	1	24	4,279	15
1966	13	3,291	21	5	761	13	5	1,323	22	1	72	6	24	5,447	19
% variation in 1966 over 1962	18.2	36.1	16.7	25.0	63.0	30.0	..	6.7	4.7	..	..	..	20.0	32.0	11.8

26 Selected Towns—NAGPUR

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	13	1,901	9	7	1,111	13	8	1,002	10	..	..	..	4	444	9	37	4,458	10
1963	18	1,728	8	7	1,120	13	9	1,308	12	..	..	..	4	367	8	38	4,523	10
1964	18	1,879	9	8	1,056	12	9	1,505	14	1	243	20	5	402	7	41	5,085	10
1965	18	1,959	9	9	1,217	12	9	1,728	16	2	389	16	5	486	8	43	5,779	11
1966	18	2,754	13	10	1,141	10	9	1,545	16	3	597	17	5	441	7	45	6,478	12
<i>% variation in 1966 over 1962</i>																		
	..	44.9	44.4	42.9	2.7	23.1	12.5	54.2	60.0	..	..	..	25.0	1.7	22.2	21.6	45.3	20.0
<i>High Speed Diesel Oil</i>																		
1962	18	3,675	17	6	1,285	18	9	1,167	11	..	..	..	4	862	18	87	6,989	16
1963	19	4,365	19	6	855	12	11	1,497	11	..	..	..	4	730	15	40	7,447	16
1964	19	4,004	18	7	1,095	14	12	1,494	10	1	195	16	5	690	12	44	7,478	14
1965	19	3,558	16	8	1,385	15	12	1,620	11	2	801	33	5	824	15	46	8,188	14
1966	19	4,243	19	9	1,212	12	11	1,920	15	3	1,212	34	5	670	11	47	9,257	16
<i>% variation in 1966 over 1962</i>																		
	5.6	15.5	11.8	50.0	5.7	33.3	22.2	64.5	36.4	..	..	..	25.0	22.3	38.9	27.0	32.5	..

26 Selected Towns-PATNA

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1		2	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	6	1,688	23	5	1,267	21	6	1,250	17	..	..	1	76	6	18	4,281	20	
1963	6	1,615	22	5	1,248	21	6	1,350	19	..	..	1	30	3	18	4,243	20	
1964	7	1,620	19	5	1,333	22	6	1,202	16	1	54	5	..	..	19	4,209	18	
1965	8	1,957	20	5	1,289	21	6	1,362	19	1	205	17	..	..	20	4,813	20	
1966	9	2,088	19	5	1,370	23	6	1,455	20	1	258	22	..	..	21	5,171	21	
<i>% variation in 1966 over 1962</i>																		
	50.0	23.7	7.4	..	8.1	9.5	..	16.4	17.6	..	..	..	..	..	..	16.7	20.8	5.0
<i>High Speed Diesel Oil</i>																		
1962	5	602	10	3	332	9	6	774	10	..	..	..	..	..	..	14	1,708	10
1963	6	466	6	3	855	24	6	1,184	16	..	..	..	..	..	..	15	2,505	14
1964	7	498	6	3	672	19	6	1,200	16	1	92	8	..	..	..	17	2,462	12
1965	7	871	10	3	434	12	6	1,036	14	1	893	74	..	..	..	17	3,234	16
1966	8	1,212	13	3	431	12	6	1,200	16	1	727	61	..	..	..	18	3,570	17
<i>% variation in 1966 over 1962</i>																		
	60.0	101.3	30.0	..	21.8	33.3	..	55.0	60.0	..	..	..	..	..	..	28.6	109.0	70.0

26. Selected Towns—POONA

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1		2	1		2	1		2	1		2	1		2	1		2
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	25	5,236	17	11	3,132	24	10	2,855	24	..	..	..	4	981	20	50	12,204	20
1963	26	5,542	18	12	3,312	24	10	2,876	24	..	..	..	5	858	14	53	12,588	70
1964	28	6,332	19	13	3,638	24	10	3,246	27	..	..	..	5	897	15	56	14,113	21
1965	28	6,594	20	14	4,347	27	11	3,621	27	3	174	5	4	903	19	60	15,630	22
1966	29	6,887	20	15	5,046	28	12	3,433	24	5	538	9	4	555	12	65	16,459	21
% of variation in 1966 over 1962																		
	16.0	31.5	17.6	36.4	61.1	16.7	20.2	20.2	..	..	..	..	..	43.5	40.0	30.0	34.9	5.0
<i>High Speed Diesel Oil</i>																		
1962	13	5,790	27	6	1,507	21	9	2,232	21	..	..	..	4	1,291	27	37	10,820	24
1963	19	5,481	24	7	1,699	22	9	1,927	18	..	..	..	4	748	16	29	9,855	21
1964	22	6,179	23	8	1,859	21	9	1,807	17	..	..	..	4	802	17	43	10,647	12
1965	21	5,901	23	9	2,160	21	11	1,919	15	3	610	17	4	912	19	48	11,502	20
1966	22	5,983	23	10	2,554	22	10	2,307	19	3	1,351	38	3	353	10	48	12,548	22
% of variation in 1966 over 1962																		
	22.2	3.3	14.8	66.7	69.5	4.8	11.1	3.4	9.5	..	..	..	25.0	72.7	63.0	29.7	16.0	8.3

26 Selected Towns—SHOLAPUR

Motor Spirit

Year	Burman-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1		2	1		2	1		2	1		2	1		2	1		3
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
19	7	953	11	3	496	14	1	80	7	..	..	..	..	..	..	11	1,529	12
19	7	914	11	4	418	8	1	108	9	..	..	..	..	..	..	12	1,440	10
1	7	941	11	4	439	9	1	97	8	..	..	..	..	..	..	12	1,477	10
1965	7	928	11	4	562	12	1	109	9	..	..	..	..	..	..	12	1,599	11
1966	8	975	10	4	556	12	1	111	9	..	..	..	..	..	..	13	1,642	11
% variation in 1966 over 1962	14.3	2.3	9.1	33.3	12.1	14.3	..	38.7	28.6	..	..	..	..	..	..	18.2	7.4	8.3
<i>High Speed Diesel Oil</i>																		
1962	6	1,859	26	3	1,227	34	1	148	12	..	..	..	1	195	16	11	3,429	26
1963	6	1,813	26	4	1,545	23	1	174	15	..	..	..	1	171	14	12	3,703	26
1964	6	1,399	19	4	2,357	49	1	253	21	..	..	..	1	100	8	12	4,109	29
1965	6	1,504	21	4	2,512	52	1	206	17	..	..	..	1	52	4	12	4,274	30
1966	7	1,868	22	4	2,133	44	1	205	17	..	..	..	1	61	5	13	4,267	27
% variation in 1966 over 1962	16.7	0.5	15.4	33.3	73.6	29.4	..	38.5	41.7	..	..	..	..	..	..	..	68.7	68.7

26 Selected Towns—SRINAGAR

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total			
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	7	1,475	18	4	1,121	23	5	740	12	..	..	..	16	3,336	17
1963	7	1,519	18	4	1,011	21	5	830	14	..	..	..	16	3,360	18
1964	8	1,418	15	4	809	17	5	771	12	..	..	..	17	2,998	15
1965	8	1,558	16	4	587	12	5	676	11	..	..	..	17	2,821	14
1966	8	2,036	21	4	806	17	4	659	13	1	24	2	17	3,525	17	
% variation in 1966 over 1962		14.3	38.0	16.7	..	28.1	(-)	(-)	(-)	10.9	8.3	6.3	5.7	..
<i>High Speed Diesel Oil</i>																
1962	6	902	13	3	1,023	28	4	590	12	..	..	..	13	2,515	16
1963	6	945	13	3	1,114	31	4	657	13	..	..	..	13	2,716	17
1964	7	1,108	13	3	1,074	30	4	717	15	..	..	..	14	2,899	17
1965	7	817	10	3	370	10	4	457	9	..	..	..	14	1,644	10
1966	7	1,340	16	3	401	11	3	582	17	1	33	3	14	2,356	14	
% variation in 1966 over 1962		16.7	48.6	23.1	..	60.8	(-)	(-)	(-)	1.4	41.7	7.7	(-)	(-)

26 Selected Towns—TIRUCHIRAPPALLI

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	8	1,618	17	6	1,292	18	5	690	12	..	..	..	19	3,600	16
1963	9	1,441	13	7	1,365	18	5	659	11	..	..	..	21	3,465	14
1964	11	1,657	13	7	1,305	17	4	621	13	1	15	1	23	3,598	13
1965	13	2,052	13	6	1,215	17	4	629	13	5	347	6	28	4,243	13
1966	14	2,201	13	6	1,115	16	4	609	13	5	713	12	29	4,678	13
% variation in 1966 over 1962	75.0	36.0	23.5	..	10.6	11.1	20.0	11.7	8.3	..	..	..	52.6	29.9	(-) 18.7
<i>High Speed Diesel Oil</i>															
1962	9	4,799	44	4	1,235	26	5	1,697	28	..	..	..	18	7,731	36
1963	10	4,204	35	5	2,066	38	5	2,342	39	..	..	..	20	8,612	36
1964	12	2,865	27	5	828	15	5	2,292	38	2	114	5	24	7,099	25
1965	12	3,228	22	4	792	17	5	1,969	33	6	2,483	35	27	8,472	26
1966	12	4,039	28	4	764	16	5	2,711	47	7	3,700	44	28	11,214	33
% variation in 1966 over 1962	33.3	(-) 15.8	(-) 36.4	..	(-) 38.1	(-) 38.5	..	59.8	64.3	..	..	..	55.6	45.1	(-) 8.3

26 Selected Towns—TRIVANDRUM

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			Total		
	1	2	3	1	2	3	1	2	3	1	3	3	1	2	3
1962	9	2,259	21	7	1,205	14	6	1,465	20	..	..	..	22	4,929	19
1963	10	2,191	18	7	1,351	16	7	1,355	16	..	..	..	24	4,997	17
1964	12	2,485	17	7	1,192	14	7	1,303	16	..	..	..	26	4,980	16
1965	13	2,760	18	7	1,136	14	7	1,397	17	1	8	1	28	5,301	16
1966	14	3,075	18	7	1,102	13	7	1,525	18	1	215	18	29	5,917	17
% variation in 1966 over 1962	55.6	36.1	14.3	..	18.5	7.1	16.7	4.1	10.0	..	..	..	31.8	20.0	10.6
<i>High Speed Diesel Oil</i>															
1962	4	437	9	4	354	7	3	282	8	..	..	..	11	1,073	8
1963	5	506	8	4	464	10	4	288	6	..	..	..	13	1,258	8
1964	7	664	8	4	677	8	4	321	7	..	..	..	15	1,362	8
1965	7	720	9	4	492	10	4	322	7	1	24	2	16	1,558	8
1966	8	748	8	4	506	11	4	481	10	1	246	20	17	1,981	10
% variation in 1966 over 1962	100.0	70.2	11.1	..	42.9	57.1	33.3	70.6	25.0	..	..	..	54.5	84.9	25.0

26 Selected Towns—VARANASI

Motor Spirit

Year	Burman-Shell			Esso			Caltex			I.O.C.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	3	936	26	5	1,147	19	5	838	14	...	...	...	13	2,921	19
1963	4	1,300	27	5	1,161	19	5	713	12	...	...	...	14	3,174	19
1964	5	1,427	24	5	922	15	6	820	11	...	...	...	16	3,169	17
1965	7	1,798	21	6	1,064	13	6	892	13	...	...	...	19	3,757	16
1966	9	2,483	23	7	830	11	6	922	13	1	31	3	23	4,270	15
% variation in 1966 over 1962	200	165.3	($\frac{-}{-}$) 11.5	40.0	($\frac{-}{-}$) 27.3	($\frac{-}{-}$) 42.1	20.0	($\frac{-}{-}$) 10.0	($\frac{-}{-}$) 7.1	..	..	..	76.9	46.2	($\frac{-}{-}$) 21.1
<i>High Speed Diesel Oil</i>															
1962	5	2,280	38	3	723	20	5	1,778	30	..	..	..	13	4,781	31
1963	7	3,221	38	3	681	19	5	1,747	29	..	..	..	15	5,649	31
1964	7	3,337	40	3	315	9	6	1,535	21	..	..	..	16	5,187	27
1965	8	3,370	35	4	1,218	25	6	1,296	18	..	..	..	18	5,884	27
1966	9	4,824	45	5	776	14	6	1,334	19	1	394	33	21	7,328	29
% variation in 1966 over 1962	80.0	111.6	18.4	66.7	7.3	($\frac{-}{-}$) 30.0	20.0	($\frac{-}{-}$) 25.0	($\frac{-}{-}$) 36.7	..	..	..	16.5	53.2	($\frac{-}{-}$) 6.5

26 Selected Towns—SUMMARY

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	315	66,941	17.71	193	40,482	17.48	154	32,773	17.73	1	13	1.08	29	5,227	15.92	692	1,45,436	17.51
1963	342	70,129	17.19	203	43,307	17.78	164	33,597	17.07	1	130	10.83	31	4,692	12.61	739	1,51,855	17.12
1964	367	75,191	17.07	211	45,293	17.89	171	35,731	17.41	9	816	7.56	33	4,700	11.87	791	1,61,731	17.04
1965	386	82,910	17.90	217	48,555	18.65	175	38,439	18.30	41	33,375	6.86	33	5,134	12.96	852	1,78,413	17.45
1966	403	93,591	19.35	224	52,292	19.45	174	39,409	18.87	64	7,913	10.30	34	5,044	12.36	899	1,98,249	18.38
% variation in 1966 over 1962		27.9	39.8	5.6	16.1	29.2	11.3	31.0	20.2	6.4	..	..	17.2	3.5	17.7	29.9	36.3	5.0
<i>High Speed Diesel Oil</i>																		
1962	271	73,409	22.57	158	37,506	19.78	142	34,957	20.51	2	16	0.66	26	6,493	20.81	599	1,52,381	21.20
1963	392	81,346	22.45	168	44,010	21.83	153	39,341	21.43	5	299	4.08	27	5,648	17.43	655	1,70,644	21.71
1964	329	82,909	21.00	176	41,559	19.68	162	40,845	21.01	14	1,847	10.99	30	5,808	16.13	711	1,72,968	20.27
1965	339	85,754	21.12	183	42,329	19.28	168	38,038	18.87	49	16,548	28.14	32	6,716	17.49	771	1,89,385	20.47
1966	351	1,02,099	24.24	190	45,792	20.08	162	41,352	21.27	68	26,388	32.84	29	5,354	15.39	800	2,20,985	23.02
% variation in 1966 over 1962		22.5	39.1	7.4	20.3	22.1	1.5	14.1	18.3	3.7	..	..	11.5	17.5	26.0	33.6	45.02	8.6

Other Areas (REST)

Motor Spirit

Year	Burmah-Shell			Esso			Caltex			I.O.C.			I.B.P.			A.O.C.			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1962	2,213	280,799	10·57	1,115	152,891	11·43	900	123,196	11·41	5	98	1·63	115	157,20	11·39	82	41,554	42·23	4,430	614,288	11·55
1963	2,321	277,887	9·97	1,138	148,530	10·88	967	125,555	10·82	24	4,358	15·13	115	17,496	12·68	88	3,9716	37·61	4,6553	613,342	10·98
1964	2,428	293,048	10·06	1,197	154,578	10·76	1,008	126,109	10·43	76	11,490	12·60	126	16,102	10·65	93	39,070	35·01	4,908	640,397	10·98
1965	2,497	314,574	10·50	1,237	160,419	10·81	1,017	134,356	11·01	210	23,960	9·11	139	13,096	7·85	110	41,054	31·10	5,210	687,459	11·00
1966	2,513	337,191	11·18	1,264	164,796	10·86	993	122,049	10·24	517	54,212	8·74	147	12,663	7·18	117	41,865	29·80	5,551	732,776	11·00

ANNEXURE- 3
ALL INDIA

Motor Spirit

Sheet No. 3(34)

₹—1 M. of P. & C./67

Year	Burma-Shell			Esso			Castrol			I.O.C.			I.B.P.			A.G.C.			Total			
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	
1962	2,808	500,033	14.84	1,471	288,281	16.33	1,167	206,490	14.75	7	149	1.77	187	46,267	17.94	82	41,554	42.23	5,722	1,076,774	15.68	
1963	2,951	499,868	14.12	1,508	289,459	16.00	1,250	210,004	14.00	30	5,259	14.61	188	41,055	18.20	88	39,716	37.61	6,015	1,085,361	15.04	
1964	3,100	528,256	14.20	1,580	302,258	15.94	1,304	214,734	13.72	96	15,433	13.40	201	40,346	16.73	93	39,070	35.01	6,374	1,140,097	14.91	
1965	3,196	568,324	14.82	1,637	320,829	16.32	1,321	227,829	14.37	293	35,491	10.09	216	38,935	15.02	110	41,954	30.87	6,773	1,232,462	15.16	
1966	3,230	604,298	15.59	1,680	834,347	16.59	1,296	224,298	14.42	648	79,880	10.27	226	38,268	14.11	117	41,865	29.82	7,197	1,323,156	15.22	
<i>Varia-</i>																						
<i>tion in</i>																						
1966 over																						
1962	15.03	20.85	5.05	14.21	16.05	1.39	11.05	8.62	2.24					20.86	4.96	21.35	42.66	0.75	29.39	25.78	22.88	2.30
<i>High Speed Diesel Oil</i>																						
<i>Varia-</i>																						
1966 over																						
1962	18.91	25.49	5.55	17.58	16.57	0.83	15.15	8.94	5.39					20.86	42.02	17.47	322.2	247.3	17.71	33.4	39.64	4.66

ANNEXURE--4.

Sheet No. 1

(Para 5.15)

Burmah-Shell—Group 'A'

Year	Burmah-Shell			Industry		
	No. of R/Os.	Sale through R/Os.	Through-put per R/O per month	No. of R/Os.	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962 .	280	1,52,293	45	600	3,17,080	44.04
1963 .	290	1,52,052	44	623	3,20,164	42.83
1964 .	305	1,60,017	44	655	3,37,969	43.00
1965 .	313	1,71,040	46	711	3,66,590	42.97
1966 .	314	1,73,516	46	747	3,92,131	43.74
Percentage variation in 1966 over 1962 .	12.1	13.9	2.2	24.5	23.7	(—)0.68
HIGH SPEED DIESEL OIL						
1962 .	191	77,469	34	401	1,39,137	28.91
1963 .	203	79,934	33	426	1,46,709	28.69
1964 .	216	78,751	30	459	1,47,000	26.69
1965 .	237	83,209	29	527	1,62,102	25.63
1966 .	234	82,870	30	539	1,77,540	27.44
Percentage variation in 1966 over 1962 .	22.5	7.0	(—)11.8	34.4	27.6	(—)5.1

The position in terms of operating additional MS and HSD retail outlets is tabulated below:—

	MS			HSD		
	B. Shell	Others	Total	B. Shell	Others	Total
Bombay .	3	21	24	5	23	28
Calcutta .	12	44	56	19	41	60
Delhi . .	(—)1	30	29	1	30	31
Madras . .	20	18	38	18	1	19
TOTAL .	34	113	147	43	95	138

ANNEXURE—4

(Para 5.15)

The other details to indicate to the company's position in the 4 Metropolitan Cities vis-a-vis industry as a whole, are shown below:—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of retail outlets in Group 'A'	280	314	191	234
(ii) Company's sales through these retail outlets	1,55,293	1,73,516	77,469	82,870
(iii) % of company's R/Os in Group 'A' to total R/Os in the Group	46.66	42.03	47.63	43.41
(iv) % of Company's sales to total sales in Group 'A'	48.97	44.25	55.68	46.68
(v) % of Company's R/Os in Group 'A' to Company's total R/Os	9.97	9.66	7.15	7.37
(vi) % of Company's sales in Group 'A' to Co's total sales	31.06	28.71	12.20	10.40
(vii) % of Co's R/Os in Group 'A' to total outlets in the country	4.89	4.36	3.54	3.26
(viii) % of Co's sales in Group 'A' to total sales in the country	14.42	13.11	6.00	4.60

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Burmah-Shell—Group B

Year	Burmah-Shell			Industry		
	No. of R/Os	Sale through R/Os	Through-put per R/Os per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	315	66,941	17·71	692	1,45,436	17·51
1963	340	70,129	17·19	739	1,51,855	17·12
1964	367	75,191	17·07	791	1,61,731	17·04
1965	386	82,910	17·90	852	1,78,413	17·45
1966	403	93,591	19·35	899	1,98,249	18·38
%variation in 1966 over 1962	27·9	39·8	5·6	29·9	36·3	5·0
HIGH SPEED DIESEL OIL						
1962	271	73,409	22·57	599	1,52,381	21·20
1963	302	81,346	22·45	655	1,70,644	21·71
1964	329	82,909	21·00	711	1,72,968	20·27
1965	339	85,754	21·12	771	1,89,385	20·47
1966	351	1,02,099	24·24	800	2,20,985	23·02
%variation in 1966 over 1962	22·5	39·1	7·4	33·6	45·02	8·6

The position in terms of operating additional MS and HSD retail outlets is tabulated below:—

Product	Burmah-Shell	Others	Total
M.S.	88	119	207
H.S.D.	80	121	201

ANNEXURE—4

Sheet No. 4

(Para 5.15)

The other details to indicate the company's position in the 26 selected towns vis-a-vis industry as a whole, are shown below:—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of R/Os in the 26 Selected towns	315	403	271	351
(ii) Cos. sales through the R/Os in 26 selected towns	66,941	93,591	73,409	1,02,099
(iii) % of Cos. R/Os to total R/Os in the 26 selected towns	45.52	44.83	45.24	43.88
(iv) % of Cos. sales through R/Os in these towns to total sales in these towns	46.03	47.21	48.17	46.20
(v) % of Cos. R/Os in these towns to Cos. total R/Os	11.22	12.47	10.15	11.06
(vi) % of Cos. Retail sales in these towns to Cos. total Retail sales	13.38	15.49	11.56	12.80
(vii) % of Cos. R/Os in these towns to total R/Os in the country	5.51	5.60	5.03	4.88
(viii). % of Cos. retail sales in these towns to industry retail sales in the country	6.22	7.07	5.69	5.67

ANNEXURE—4

Burmah-Shell — Group C

Year	Burmah-Shell			Industry		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	2,213	2,80,799	10.57	4,430	6,14,258	11.55
1963	2,321	2,77,687	9.97	4,653	6,13,342	10.98
1964	2,428	2,93,048	10.06	4,928	6,40,397	10.98
1965	2,497	3,14,574	10.50	5,210	6,87,459	11.00
1966	2,513	3,37,191	11.18	5,551	7,32,776	11.00
% variation in 1966 over 1962	13.55	20.08	5.77	25.30	19.30	-4.76
HIGH SPEED DIESEL OIL						
1962	2,208	4,84,300	18.28	4,388	9,98,760	18.97
1963	2,345	5,21,721	18.54	4,674	10,89,981	19.43
1964	2,466	5,30,910	17.94	5,031	11,16,157	18.49
1965	2,549	5,63,221	17.53	5,399	11,96,270	18.47
1966	2,590	6,12,115	19.69	5,847	14,03,183	20.00
% variation in 1966 over 1962	17.83	26.39	7.71	33.25	40.49	5.43

This company put up 300 additional outlets for MS, compared to 1121 by the industry, and 382 new outlets for HSD, compared to 1459 by the industry.

ANNEXURE—4

Sheet No. 6
(Para 5.15)

The other details to indicate the company's position in the Other Areas vis-a-vis industry as a whole, are shown below :—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of Co.'s R/Os in the rest of country	2,213	2,513	2,208	2,590
(ii) Co.'s retail sales through these R/Os	280,799	337,191	484,300	612,115
(iii) % of Co.'s R/Os to total R/Os in the rest of the country	49.95	45.27	50.32	44.30
(iv) % of Co.'s retail sales through these R/Os to the total sales in this area	45.71	46.02	48.49	43.62
(v) % of Co.'s R/Os in the rest of country to Co.'s total R/Os	78.81	77.80	82.70	81.57
(vi) % of Co.'s retail sales in the rest of country to Co.'s total sales	56.15	55.80	76.24	76.80
(vii) % of Co.'s R/Os in the rest of the country to total R/Os in the country	38.68	34.92	40.98	36.04
(viii) % of Co.'s retail sale in the rest of the country to industry retail sales in the country	26.08	25.48	37.53	33.98

ANNEXURE—5

Sheet No. 1

(Para 5.16)

Esso—Group 'A'

Year	Esso			Industry		
	No. of R/Os	Sale through R/Os	Through-put per R/Os month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
<i>Motor Spirit</i>						
1962 . .	163	94,908	49	600	317,080	44.04
1963 . .	167	97,622	49	623	320,164	42.83
1964 . .	172	102,387	50	655	337,969	43.00
1965 . .	183	111,655	51	711	366,590	42.97
1966 . .	192	117,459	51	747	392,131	43.74
% variation in 1966 over 1962 . .	17.8	23.8	4.1	24.5	23.7	(—) (—)
<i>High Speed Diesel Oil</i>						
1962 . .	109	35,070	27	401	139,137	28.91
1963 . .	112	38,655	29	426	146,709	28.69
1964 . .	117	39,024	28	459	147,000	26.69
1965 . .	125	40,927	27	527	162,102	25.63
1966 . .	132	44,351	28	539	177,540	27.44
% variation in 1966 over 1962 . .	21.1	26.5	3.7	34.4	27.6	(—)5.1

The position in terms of operating additional MS and HSD retail outlets is tabulated below :—

	MS			HSD		
	Esso	Others	Total	Esso	Others	Total
Bombay .	6	18	24	6	22	28
Calcutta .	15	41	56	18	42	60
Delhi .	3	26	29	3	28	31
Madras .	5	33	38	(—)4	23	19
TOTAL .	29	118	147	23	115	138

ANNEXTURE—5

Sheet No. 2

(Para 5·16)

The other details to indicate the company's position in [the 4 Metropolitical Cities vis-a-vis industry as a whole, are shown below :—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of retail outlets in the Group	163	192	109	132
(ii) Co.'s sales through R/Os in the Group	94,908	117,459	35,070	44,351
(iii) % of Co.'s retail outlets to total retail outlets in the Group	27·17	25·70	27·18	24·49
(iv) % of Co.'s sales to total sales in the Group	29·93	29·95	25·21	24·98
(v) % of Co.'s R/Os in the Group to Co.'s total retail outlets	11·08	11·43	7·82	8·05
(vi) % of Co.'s sales in this Group to Co.'s total sales	32·92	35·11	10·28	11·15
(vii) % of Co.'s R/Os in this Group to total R/Os in India	2·85	2·67	2·02	1·84
(viii) % of Co.'s sales in this Group to total sales in the country	8·81	8·88	2·72	2·46

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ANNEXURE-5

(Para 5·16)

ESSO—Group 'B'

Year	Esso			Industry		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
<i>Motor Spirit</i>						
1962 . .	193	40,482	17·48	692	145,436	17·51
1963 . .	203	43,307	17·78	739	151,855	17·12
1964 . .	211	45,293	17·89	791	161,731	17·04
1965 . .	217	48,555	18·65	852	178,413	17·45
1966 . .	224	52,292	19·45	899	198,249	18·38
% variation in 1966 over 1962 . .	16·1	29·2	11·3	29·9	36·3	5·0
<i>High Speed Diesel Oil</i>						
1962 . .	158	37,506	19·78	599	152,381	21·20
1963 . .	168	44,010	21·83	655	170,644	21·71
1964 . .	176	41,559	19·68	711	172,968	20·27
1965 . .	183	42,329	19·28	771	189,385	20·47
1966 . .	190	45,792	20·08	800	220,985	23·02
% variation in 1966 over 1962 . .	20·3	22·1	1·5	33·6	45·02	8·6

The position in terms of operating additional MS and HSD retail outlets is tabulated below :—

	Product	Esso	Others	Total
MS		31	176	207
HSD		32	169	201

ANNEXURE--5

Sheet No. 4

(Para 5.16)

The other details to indicate the company's position in the 26 Selected Towns vis-a-vis industry as a whole, are shown below :—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of R/Os in the 26 selected towns	193	224	158	190
(ii) Co's sales through the R/Os in 26 selected towns	40,482	52,292	37,506	45,792
(iii) % of Co's R/Os to total R/Os in the 26 selected towns	27.88	24.92	26.38	23.75
(iv) % of Co's sales through R/Os in these towns to total sales in these towns	27.83	26.38	24.61	20.72
(v) % of Co's R/Os in these towns to Co's total R/Os	13.12	13.33	11.33	11.59
(vi) % of Co's retail sales in these towns to Co's total retail sales	14.04	15.63	10.99	11.51
(vii) % of Co's R/Os in these towns to total R/Os in the country	3.37	3.11	2.93	2.64
(viii) % of Co's retail sales in these towns to industry retail sales in the country	3.76	3.95	2.91	2.55

ANNEXTURE-5
ESSO Group 'C'

Sheet No. 5

(Para 5·16)

Year	ESSO			Industry		
	No. of of R/Os	Sale through R/Os	Through- put per R/O per month	No. of R/Os	Sale through R/Os	Through- put per R/O per month
<i>Motor spirit</i>						
1962	1,115	1,52,891	11·43	4,430	6,14,258	11·55
1963	1,138	1,48,530	10·88	4,653	6,13,342	10·98
1964	1,197	1,54,578	10·76	4,928	6,40,397	10·98
1965	1,237	1,60,419	10·81	5,210	6,87,459	11·00
1966	1,264	1,64,796	10·86	5,551	7,32,776	11·00
% variation in 1966 over 1962	13·36	7·79	(—)4·99	25·30	19·30	(—)4·76
<i>High speed Diesel oil</i>						
1962	1,127	2,68,729	19·87	4,388	9,98,760	18·97
	1,161	2,95,505	21·21	4,674	10,89,981	19·43
1964	1,240	2,92,117	19·63	5,031	11,16,157	18·49
1965	1,294	2,80,629	18·07	5,399	11,96,270	18·47
1966	1,317	3,07,727	19·47	5,847	14,03,183	20·00
1966 over 1962	16·86	14·51	(—)2·01	33·25	40·49	5·43

Esso put up 149 MS and 190 HSD outlets as against 1121 and 1459 outlets respectively put up by the industry.

ANNEXURE—5

Sheet No. 6

(Para 5.16)

The other details to indicate the company's position in the Other Areas *vis-a-vis* industry as a whole, are shown below :—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of Co's R/Os in the rest of the country	1,115	1,264	1,127	1,317
(ii) Co's retail sales through these R/Os	1,52,891	1,64,796	2,68,729	3,07,727
(iii) % of Co's R/Os to total R/Os in the rest of the country	25.17	22.77	25.68	22.52
(iv) % of Co's retail sales through these R/Os to total sales in this area	24.90	22.49	26.91	21.93
(v) % of Co's R/Os in the rest of the country to Co's total R/Os	75.80	75.24	80.85	80.35
(vi) % of Cos' retail sales in the rest of the country to Co's total sales	53.03	49.26	78.73	77.34
(vii) % of Co's R/Os in the rest of the country to total R/Os in the country	19.49	17.56	20.92	18.33
(viii) % of Co's retail sales in the rest of the country to industry retail sales in the country	14.20	12.45	20.83	17.01

ANNEXURE—6
CALTEX—Group 'A'

Sheet No. 1
(Para 5.17)

Year	Caltex			Industry		
	No. R/Os	Sale through R/Os.	Through-put per R/O per month	No. R/Os	Sale of through R/Os	Through-put per R/O per month
<i>Motor Spirit</i>						
1962 .	113	50,521	37	600	3,17,080	44.04
1963 .	119	50,852	36	623	3,20,164	42.83
1964 .	125	52,894	35	655	3,37,969	43.00
1965 .	129	55,034	36	711	3,66,590	42.97
1966 .	129	62,840	41	747	3,92,131	43.74
% variation in 1966 over 1962 . .	14.2	24.4	10.8	24.5	23.7	(-0.68)
<i>High speed Diesel oil</i>						
1962 .	66	19,237	24	401	1,39,137	28.91
1963 .	72	20,889	24	426	1,46,709	28.69
1964 .	78	20,878	22	459	1,47,000	26.69
1965 .	81	21,244	22	527	1,62,102	25.63
1966 .	81	25,480	26	539	1,77,540	27.44
% variation in 1966 over 1962 . .	22.7	32.5	8.3	34.4	27.6	(-5.1)

The position in terms of operating additional MS and HSD retail outlets is tabulated below :—

	MS			HSD		
	Caltex	Others	Total	Caltex	Others	Total
Bombay .	2	22	24	3	25	28
Calcutta .	4	52	56	4	56	60
Delhi .	6	23	29	6	25	13
Madras .	4	34	38	2	17	19
Total .	16	131	147	15	123	138

ANNEXURE-6

Sheet No. 2

(Para 5.17)

The other details to indicate the company's position in the 4 Metropolitan Cities *vis-a-vis* industry as a whole, are shown below :—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of retail outlets in the Group	113	129	66	81
(ii) Co's sales through R/Os in the group	50,521	62,840	19,237	25,480
(iii) % of Co's retail outlets to total retail outlets in the Group	18.83	17.27	16.46	15.03
(iv) % of Co's sales to total sales in the Group	15.93	16.03	13.83	14.35
(v) % of Co's R/Os in this Group to Co's total retail outlets	9.68	9.95	5.95	6.34
(vi) % of Co's sales in this Group to Co's total sales	24.46	28.02	6.96	8.46
(vii) % of Co's R/Os in this Group to total R/Os in India	1.97	1.79	1.22	1.13
(viii) % of Co's sales in this Group to total sales in the country	4.69	4.75	1.49	1.41

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ANNEXURE—6
CALTEX—Group 'B'

Sheet No. 3
(Para 5.17)

Year	CALTEX			Industry		
	No. of R/Os	Sale through R/Os	Through put per R/O per month	No. of R/Os	Sale through R/Os	Through put per R/O per month
<i>Motor Spirit</i>						
1962	154	32,773	17.73	692	1,45,436	17.51
1963	164	33,597	17.07	739	1,51,855	17.12
1964	171	35,731	17.41	791	1,61,731	17.04
1965	175	38,439	18.30	852	1,78,413	17.45
1966	174	39,409	18.87	899	1,98,249	18.38
% variation in 1966 over 1962	13.0	20.2	6.4	29.9	36.3	5.0
<i>High Speed Diesel Oil</i>						
1962	142	34,957	20.51	599	1,52,381	21.20
1963	153	39,341	21.43	655	1,70,644	21.71
1964	162	40,845	21.01	711	1,72,968	20.27
1965	168	38,038	18.87	771	1,89,385	20.47
1966	162	41,352	21.27	800	2,20,985	23.02
% variation in 1966 over 1962	14.1	18.3	3.7	33.6	45.02	8.6

The position in terms of operating additional MS and HSD retail outlets is tabulated below :—

Product		CalTex	Others	Total
MS	.	20	187	207
HSD	.	20	181	201

ANNEXURE 6

Sheet No. 4

Para 5.17

The other details to indicate the company's position in the 26 Selected Towns vis-a-vis industry as a whole, are shown below:—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of R/Os in the 26 selected towns	154	174	142	162
(ii) Co's sales through the R/Os in 26 selected towns	32,773	39,409	349,57	41,352
(iii) % of Co's R/Os to total R/Os in the 26 selected towns	22.25	19.36	23.71	20.25
(iv) % of Co's sales through R/Os in these towns to total sales in these towns	22.53	19.87	22.94	18.71
(v) % of Co's R/Os in these towns to Co's total R/Os	13.19	13.43	12.80	12.69
(vi) % of Co's retail sales in these towns to Co's total retail sales	15.14	17.57	12.65	13.73
(vii) % of Co's R/Os in these towns to total R/Os in the country	2.69	2.42	2.64	2.25
(viii) % of Co's retail sales in these towns to Industry retail sales in the country	3.04	2.98	2.71	2.30

CALTEX
Group 'C'

Para 5. 17

Year	CALTEX			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	900	123,196	11.41	4,430	614,258	11.55
1963	967	125,555	10.82	4,653	613,342	10.98
1964	1,008	126,109	10.43	4,928	640,397	10.98
1965	1,017	134,356	11.01	5,210	687,459	11.00
1966	993	122,049	10.24	5,551	732,776	11.00
% variation in 1966 over 1962	10.33	-0.93	-10.25	25.30	19.30	-4.76
HIGH SPEED DIESEL OIL						
1962	901	222,198	20.55	4,388	998,760	18.97
1963	972	238,117	20.41	4,674	108,598	19.43
1964	1,028	236,765	19.19	5,031	1,116,157	18.49
1965	1,048	233,123	18.54	5,399	1,196,270	18.47
1966	1,034	234,257	18.88	5,847	1,403,183	20.00
% variation in 1966 over 1962	14.96	5.42	-8.13	33.25	40.49	5.43;

Caltex put up 93 MS and 133 HSD outlets compared to 1121 and 1459 outlets respectively put up by the industry.

The other details to indicate the company's position in the Other Areas Vis-a-vis industry as a whole, are shown below:—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of Co's R/Os in the rest of the country	900	993	901	1,034
(ii) Co's retail sales through these R/Os	123,196	122,049	222,198	234,257
(iii) % of Co's R/Os to total R/Os in the rest of the country	20.32	17.89	20.53	17.68
(iv) % of Co's retail sales through these R/Os to the total sales in this area	20.06	16.66	22.25	16.69
(v) % of Co's R/Os in the rest of the country to Co's total R/Os	77.12	76.62	81.24	80.97
(vi) % of Co's retail sale in the rest of the country to the Co's total sales	56.91	54.41	80.39	77.80
(vii) % of Co's R/Os in the rest of the country to total R/Os in the country	15.73	13.80	16.72	14.39
(viii) % of Co's retail sale in the rest of the country to industry retail sale in the country	11.44	9.22	17.22	13.00

ANNEXURE 7

Sheet No. 1

Para 5.18

I.O.C.

Group 'A'.

Year	I.O.C.			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	1	38	3	600	317,080	44.04
1963	5	771	13	623	320,164	42.83
1964	11	3,127	24	655	337,969	43.00
1965	42	8156	16	711	366,590	42.97
1966	67	17,755	22	747	3,92,131	43.74
% variation in 1966 over 1962	..	..	..	24.5	23.7	(-)0.68
HIGH SPEED DIESEL OIL						
1962	..	..	..	401	1,39,137	28.91
1963	4	54	1	426	1,46,709	28.69
1964	12	1,034	7	459	1,47,000	26.69
1965	46	8,430	15	527	1,62,102	25.63
1966	64	17,363	23	539	1,77,540	27.44
% variation in 1966 over 1962	..	..	..	34.4	27.6	(-)5.1

The position in terms of operating additional MS and HSD retail outlets is tabulated below:—

	MS			HSD		
	I.O.C.	Others	Industry	I.O.C.	Others	Industry
Bombay	12	11	23	9	14	23
Calcutta	25	31	56	28	32	60
Delhi	20	10	30	24	12	36
Madras	9	29	38	3	16	19
TOTAL	66	81	147	64	74	138

The other details to indicate the company's position in the 4 Metropolitan Cities Vis- a-Vis industry as a whole, are shown below:—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of retail outlets in the Group	1	67	..	64
(ii) Co's sales thorough R/Os in the Group	38	17,755	..	17,363
(iii) % of Co's retail outlets to total R/Os in the Group	0.17	8.97	..	11.87
(iv) % of Co's sales to total sales in the Group	0.01	4.53	..	9.78
(v) % of Co's R/Os in this Group to Co's total R/Os	14.28	10.34	..	8.07
(vi) % of Co's sales in this Group to Co's total sales	25.50	22.23	..	6.08
(vii) % of Co's R/Os in this Group to total R/Os in India	0.02	0.93	..	0.89
(viii) % of Co's sales in this Group to total sales in the country		13.42

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ANNEXURE 7

Sheet No. 3

Para 5.18

I.O.C.—Group B

Year	I.O.C.			INDUSTRY		
	No. of R/Os	Sale R/Os	Throughput per month	No. of R/Os	Sale R/Os	Throughput per month
MOTOR SPIRIT						
1962	1	13	1.08	692	1,45,436	17.51
1963	1	130	10.83	739	1,51,855	17.12
1964	9	816	7.56	791	1,61,731	17.04
1965	41	3,375	6.86	852	1,78,413	17.45
1966	64	7,913	10.30	899	1,98,249	18.38
% variation in 1966 over 1962	..	..	..	29.9	36.3	5.0
HIGH SPEED DIESEL OIL						
1962	2	16	0.66	599	1,52,381	21.20
1963	5	299	4.08	655	1,70,644	21.71
1964	14	1,847	10.99	711	1,72,968	20.27
1965	48	16,548	28.14	771	1,89,385	20.47
1966	68	26,388	32.34	800	2,20,985	23.02
% variation in 1966 over 1962	..	..	..	33.6	45.02	8.6

The position in terms of operating additional MS and HSD retail outlets is tabulated below :—

Product	IOC	Others	Total
MS	63	144	207
HSD	66	135	201

Annexure 7 Sheet No. 4

(Para 5.18)

The other details to indicate the company's position in the 26 Selected Towns vis-a-vis industry as a whole, are shown below : -

	MS		HSD	
	1962	1966	1962	1966
(i) No. of R/Os in the 26 Selected towns	1	64	2	68
(ii) Co's sales through the R/Os in 26 Selected towns	13	7,913	16	26,388
(iii) % of Co's R/Os to the total R/Os in the 26 Selected towns	0.14	7.12	0.33	8.50
(iv) % of Co's sales through R/Os in these towns to total sales in these towns	0.01	4.00	0.01	14.19
(v) % of Co's R/Os in these towns to Co's total R/Os	14.28	9.88	20.00	8.58
(vi) % of Co's retail sales in these towns to Co's total retail sales	8.72	9.91	1.36	10.87
(vii) % of Co's R/Os in these towns to total R/Os in the country	0.02	0.89	0.04	0.95
(viii) % of Co's retail sales in these towns to industry retail sales in the country	0.60	..	1.46

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(Para 5.18)

I.O.C. Group 'C'

Year	I.O.C.			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	5	98	1.63	4,430	6,14,258	11.55
1963	24	4,358	15.13	4,653	6,13,342	10.98
1964	76	11,490	12.60	4,928	6,40,397	10.98
1964	210	23,960	9.11	5,210	6,87,459	11.00
1966	517	34,212	8.74	5,551	7,32,776	11.10
% variation in 1966 over 1962 . . . .	..	..	..	25.30	19.30	-4.76
HIGH SPEED DIESEL OIL						
1962	8	1,161	12.09	4,388	9,98,760	18.97
1963	44	7,223	13.68	4,674	10,89,981	19.43
1964	127	22,395	14.89	5,031	11,16,157	18.49
1965	298	1,05,586	29.53	5,399	11,96,270	18.47
1966	661	19,90,994	25.10	5,847	14,03,183	20.00
% variation in 1966 over 1962 . . . .	..	..	..	33.25	40.49	5.43

I.O.C. set up 512 MS outlets and 653 HSD outlets compared to 1,121 and 1,459 outlets respectively put up by the industry.

Annexure 7 Sheet No 6

(Para 5·18)

The other details to indicate the company's position in the Other Areas *vis-a-vis* industry as a whole, are shown below :—

	MS		HSD	
	1962	1966	1962	1966
(i) No. of Co's R/Os in the rest of the country	5	517	8	661
(ii) Co's retail sales through these R/Os	98	54,212	1,161	1,99,094
(iii) % of Co's R/Os to the total R/Os in the rest of the country	0·11	9·31	0·18	11·30
(iv) % of Co's retail sales through these R/Os to the total sales in this area	0·02	7·40	1·16	14·19
(v) % of Co's R/Os in the rest of the country to the Co's total R/Os	71·43	79·78	80·00	83·35
(vi) % of Co's retail sales in the rest of the country to the Co's total sales	57·71	67·86	98·64	81·98
(vii) % of Co's R/Os in the rest of the country to the total R/Os in the country	0·09	7·18	0·15	9·20
(viii) % of Co's retail sales in the rest of the country to industry retail sales in the country	..	4·10	0·09	11·05

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(Para 5-19)

I.B.P. Group 'A'

Year	I.B.P.			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	43	19,320	37	600	3,17,080	44.04
1963	42	18,867	37	623	3,20,164	42.83
1964	42	19,544	39	655	3,37,969	43.00
1965	44	20,705	39	711	3,66,590	42.97
1966	45	20,561	38	747	3,92,131	43.74
% variation in 1966 over 1962 . .	4.7	6.4	2.7	24.5	23.7	-0.68
HIGH SPEED DIESEL OIL						
1962	35	7,361	18	401	1,89,137	28.91
1963	35	7,157	17	426	1,46,709	28.69
1964	36	7,313	17	459	1,47,000	26.69
1965	38	8,292	18	527	1,62,102	25.63
1966	28	7,476	22	539	1,77,540	27.44
% variation in 1966 over 1962 . .	-20.0	1.6	22.2	34.4	27.6	-5.1%

IBP added only two retail outlets in this Group for MS and reduced its HSD outlets by 7.

(Para 5-19)

I. B. P.—Group 'B'

Year	I.B.P.			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962	29	5,227	15.02	692	1,45,436	17.51
1963	31	4,692	12.61	739	1,51,855	17.12
1964	83	4,700	11.87	791	1,61,731	17.04
1965	33	5,134	12.96	852	1,78,413	17.45
1966	34	5,044	12.36	899	1,98,249	18.38
% Variation in 1966 over 1962	17.2	—3.5	—17.7	29.9	36.3	5.0
HIGH SPEED DIESEL OIL						
1962	26	6,493	20.81	599	1,52,381	21.20
1963	27	5,648	17.43	655	1,70,644	21.71
1964	30	5,808	16.13	711	1,72,968	20.30
1965	32	6,716	17.49	771	1,89,385	20.55
1966	29	5,354	15.39	800	2,20,985	23.09
% variation in 1966 over 1962	11.5	—17.5	—26.0	33.6	45.02	8.6

IBP had 5 additional outlets operating for MS & 3 for HSD as against 207 and 201 respectively by the industry.

(Para 5.19)

I.B.P. Group 'C'

Year	I.B.P.			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962 . . .	115	15,720	11.39	4,430	6,14,258	11.55
1963 . . .	115	17,496	12.68	4,653	6,13,342	10.98
1964 . . .	126	16,102	10.65	4,928	6,40,397	10.98
1965 . . .	139	13,096	7.85	5,210	6,87,459	11.00
1966 . . .	147	12,663	7.18	5,551	7,32,776	11.00
% variation in 1966 over 1962 . .	27.83	-19.45	-36.96	25.30	19.30	-4.76
HIGH SPEED DIESEL OIL						
1962 . . .	126	16,837	11.14	4,388	9,98,760	18.97
1963 . . .	126	19,839	13.12	4,674	10,89,981	19.43
1964 . . .	135	23,600	14.57	5,031	11,16,157	18.49
1965 . . .	146	25,708	14.67	5,399	11,96,270	18.47
1966 . . .	169	30,756	15.17	5,847	14,03,183	20.00
% variation in 1966 over 1962 . .	34.13	82.67	36.18	33.25	40.49	5.43

IBP put up 32 new MS and 43 HSD outlets against the industry total of 1,121 and 1,459 respectively.

Annexure 9

(Para 5-20)

A.O.C. Group 'C'

Year	A.O.C.			INDUSTRY		
	No. of R/Os	Sale through R/Os	Through-put per R/O per month	No. of R/Os	Sale through R/Os	Through-put per R/O per month
MOTOR SPIRIT						
1962 . . .	82	41,554	42.23	4,430	6,14,258	11.55
1963 . . .	88	39,716	37.61	4,653	6,13,342	10.98
1964 . . .	93	39,070	35.01	4,928	6,40,397	10.98
1965 . . .	110	41,054	31.10	5,210	6,87,459	11.00
1966 . . .	117	41,865	29.80	5,551	7,32,776	11.00
% variation in 1966 over 1962 . .	42.68	0.75	-29.39	25.30	19.30	-4.76
HIGH SPEED DIESEL OIL						
1962 . . .	18	5,535	25.63	4,388	9,98,760	18.97
1963 . . .	26	7,579	24.29	4,674	10,89,981	19.43
1964 . . .	35	10,370	24.69	5,031	11,16,157	18.49
1965 . . .	64	15,003	19.54	5,399	11,98,270	18.47
1966 . . .	76	19,234	21.09	5,847	14,03,183	20.00
% variation in 1966 over 1962 . .	322.22	247.50	-17.71	33.25	40.49	5.43

AOC put up 35 additional MS outlets and 58 additional HSD outlets in the area as against 1,121 and 1,459 outlets respectively by the industry.

ANNEXURE 10
MOTOR SPIRIT-ESTIMATES OF DEMAND

(Figures in '000 tonnes)

Estimates Prepared by

Year	HP %	Burmah-Shell		Esso		Caltex		OAC		Min. of P & C %	
		Demand increase	Percentage								
1966	•	1,116		1,115*		1,115*		1,141		1,115	
1967	•	1,171	5	1,171	5	1,157	3.9	1,184	6	1,210	6
1968	•	1,241	6	1,241	6	1,215	5	1,258	6	1,282	6
1969	•	1,315	6	1,315	6	1,285	5.8	1,334	6	1,360	6
1970	•	1,394	6	1,394	6	1,369	6.5	1,415	6	1,441	6
1971	•	1,478	6	1,478	6	1,451	6	1,501	6	1,562	8
										1,532	6

* Actuals

ANNEXURE 11

H. S. D.—ESTIMATES OF DEMANDS

(Figures in '000 tonnes)

Estimates of Demand prepared by

Year	IIP		Burmah-Shell		Esso		Caltex		OAC		Min. of P & C	
	Demand increase	%	Demand increase	%	Demand increase	%	Demand increase	%	Demand increase	%	Demand increase	%
1966	2,591		2,591*		2,591*		2,591*		2,600		2,591	
1967	2,884	11	2,902	12	2,933	13.2	2,930	13	2,988	15	2,972	14.7
1968	3,283	14	3,279	13	3,385	15.4	3,387	16	3,453	16	3,435	16
1969	3,738	14	3,738	14	3,933	16.2	3,915	16	3,991	16	3,970	16
1970	4,282	15	4,261	14	4,602	17	4,602	18	4,688	17	4,667	18
1971	4,839	13	4,858	14	5,407	17.5	5,341	16	5,445	16	5,417	16

*Actuals

ANNEXURE 12
PAST GROWTH RATES FOR RETAIL AND NON-RETAIL SALES
Motor Gasoline

Year	Retail			Non-Retail			Total		
	Quantity Tonnes	% of Total	% Growth over previous year	Quantity Tonnes	% of Total	% Growth over previous year	Quantity Tonnes	% of total	% Growth over previous year
1962	754,572	82.74	..	157,375	17.26	..	911,947	100.00	..
1963	760,589	79.00	0.8	202,127	21.00	28.4	962,716	100.00	5.6
1964	798,947	80.02	5.0	199,470	19.98	(1.32)	998,417	100.00	3.7
1965	863,673	79.00	8.1	229,590	21.00	15.1	1093,263	100.00	9.4
1966	927,229	83.09	7.4	188,750	16.91	(17.79)	1115,979	100.00	2.1
Average annual growth rate during 1962-66			5.3			5.0			5.1

ANNEXURE 13

PAST GROWTH RATES FOR RETAIL AND NON-RETAIL SALES

High Speed Diesel Oil

Year	Retail			Non-Retail			Total		
	Quantity Tonnes	% of Total	% Growth over previous year	Quantity Tonnes	% of Total	% Growth over previous year	Quantity Tonnes	% of Total	% Growth over previous year
1962	1061,084	65.02	..	510,843	34.98	..	1631,927	100.00	..
1963	1157,350	62.00	9.07	709,457	38.00	24.28	1866,807	100.00	14.39
1964	1181,024	58.10	2.05	851,845	41.9	20.07	2032,869	100.00	8.9
1965	1272,826	54.10	7.77	1054,188	45.3	23.75	2327,014	100.00	14.47
1966	1481,668	57.18	16.04	1109,555	42.82	5.25	2591,223	100.00	11.35
Average annual growth rate during 1962-66		8.7			18.1		12.3		

ANNEXURE 14

PRODUCT AVAILABILITY IN 1971 SUMMARY OF REPLIES
Motor Gasoline

(Figures in thousand tonnes)

Company	Physical Maximum (a)		Maximum with re- strictions (b)		Maximum based on design (c)		Company's best estimate (d)		Crude In (e)	
	Quantity	%age	Quantity	%age	Quantity	%age	Quantity	%age	Quantity	%age
Burmah-Shell	993	19.4	818	16.5	1,056	22.2	818	20.2	4,250	18.36
Esso	594	11.6	448	9.0	648	13.7	423	10.4	2,700	11.66
Caltex	260	5.1	250	5.0	260	5.5	180	4.4	1,050	4.54
I.O.C.	3,206	62.8	3,402	68.4	2,723	57.4	2,584	63.6	14,650	63.28
A.O.C.	56	1.1	56	1.1	56	1.2	56	1.4	500	2.16
Total	5,109	100	4,974	100	4,743	100	4,061	100	23,150	100
<i>High Speed Diesel Oil</i>										
Burmah-Shell	1,657	22.9	1,107	18.5	654	13.2	1,107	20.2	4,250	18.36
Esso	900	12.4	660	11.0	444	9.0	610	11.1	2,700	11.66
Caltex	480	6.6	340	5.7	480	9.7	320	5.8	1,050	4.54
I.O.C.	4,141	57.3	3,834	63.9	3,324	67.1	3,393	61.9	14,650	63.28
AOC	55	0.8	55	0.9	55	1.1	55	1.0	500	2.16
Total	7,233	100	5,996	100	4,957	100	5,485	100	23,150	100

ANNEXURE 15

Important points emerging from replies received from foreign countries

1. The Committee had desired that the position regarding outlets should be ascertained from ten foreign countries. Of these, four, i.e., U.K., Holland, France and Italy were selected from Europe, five i.e. Japan, Thailand, Malaya:ia, Phillipines and Australia were selected from the Far East and Brazil from South America.

2. The questionnaire addressed to these countries sought information on general matters like the minimum distances from road junctions, culverts, existing retail outlets, etc., standards of amenities prescribed, if any, throughputs per outlet, price of mogas and HSD, dealers' commission, the manner in which sites are allocated to individual oil companies, mode of determining rental etc. Regarding the essential issue that is, the nature of regulations, if any, the position is summarised below.

3. *Nature of Regulations, if any.*—In the Phillipines, and Brazil there do not appear to be any regulation.

3.1 *Thailand.*—In Thailand, there are hardly any regulations, except that no new stations can come within 500 metres from the existing stations of the State enterprise OFO (Oil & Fuel Organization). In addition, the Bangkok Municipal area has been divided into three zones as under :—

- (a) Completely restricted.
- (b) One station for each oil company, and
- (c) Two stations for each oil company.

3.2 *Holland.*—On the State highways, the Ministry of Transport & Water Control in consultation with the Ministry of Economic Affairs, has provided for a minimum distance of 15 to 20 Kilometres between stations alternately placed on either side of the highways. There is no other regulation in the rest of the area.

3.3 *Malaysia.*—There is a Government advice to the effect to that if existing facilities are considered adequate to serve the public needs and the standards of service are reasonable, to permit additional stations might not be in the public interest. The Government has further clarified that the absence of a pump supplying a particular brand of petrol will not of itself constitute a need for another station. There is no indication, however, to show if this is followed in actual practice.

Where there is competition for any new sites, besides considering the bids or ballots, weightage is also given to newcomers.

3.4 *Italy.*—There are hardly any restrictions in towns. On highways, however, stations are sanctioned 30 to 40 km apart.

A detailed investigation regarding station was conducted by the Ministry of Industry and Commerce through the Director General of Sources of Energy, towards the end of 1964. The conclusions arrived at after this research are given below :—

- (a) On the basis of direct observations, the frequency of stations is very high in Italy.
- (b) Stations are coming up very liberally and not on the basis of any provincial or regional or national preplanned schemes. Quite often, these are concentrated on the same points to ensure the presence of trade marks.

- (c) There has been a crowding of stations with unitary costs going up and profit margins being insufficient to allow even the depreciation of equipment.
- (d) It is necessary to take action to correct the present situation and to have a rational system of distribution in which stations would represent an advantage, where the costs could be reduced and the prices contained and not subjected to a continuous pressure for increasing them and thus passing on the the users the burden of excessive unitary costs.

It has not been possible to ascertain, if further follow up action was taken on these lines.

3.5 Australia.—Regulations here seem to be purely local in character. In Western Australia, the city of Perth provides that there will be no retail outlet within a half-mile of existing stations. Under the Town Planning Development Act, 1926-65, and under the Zoning By-laws under the local Government Act, 1960-65, sites may not be approved within a half-mile of another or within a half mile by the nearest road route. The local authorities can also consider the number of existing stations to be adequate for the requirements of the area. In the capital city, Canberra, there is complete planning of retail outlets, with each suburb of 4,000 to 5,000 people having 2 stations. In South Australia, there was public criticism about the profusion of stations and in 1960 the oil companies applied voluntary restraints on further expansion, thus averting the need for State legislation. In Queensland, in many of the towns, there are laws prohibiting erection of stations within a specified radial distance of existing stations.

3.6 Japan.—The Ministry of Internal Trade and Industry (MITI) fixes the number of retail outlets which can come up each year. These regulations were stated in 1965 and 1,500 stations were permitted for 1965 and 1,650 stations for 1960. New yardsticks provide for new stations being set up within overall limits as under —

- (a) Any where in Japanese six major cities.
- (b) In other cities with population of 40,000 and above, only where there are not more than 3 stations within 820/ of proposed site, with all of them at least 230/ away from each other.
- (c) In lesser communities, only where the proposed station does not have more than 3 stations within 2000/ with all of them at least 330/ away from it.

MITI also allocates the share of total to each distributor in accordance with latter's established marketing interests.

In Japan, new stations were coming up year by year at a fast rate. The number of new outlets jumped from 2,699 in 1962 to 3,416 in 1964. It was estimated that at this rate, Japan will have 20,000 stations by 1965. MITI, therefore, instructed the distributors to reduce the number of new stations to one-third of the past. For 1965, a quota of 1,500 was fixed and each distributor's share was calculated on the basis of :—

- (a) His increase rate for 1962/64.
- (b) Each distributor's share as on 31-12-1964.
- (c) MS sales rate for April 1962 to Sept., 1964.

MITI instruction issued on 26th February, 1965, stipulates the purpose of regulation as :

- (a) Reduction of financial burden.
- (b) Prevention of excessive marketing competition.
- (c) Strengthening of established management potentiality of the petroleum industry, or improving operations.

For smooth enforcement of its directive, the Government agreed to participate in the 'Round Table Committee for Station Construction' already established by the industry.

MITI also provides for criteria to designate certain areas as congested areas. Such areas will be those where the existing stations show the following trends :—

- (a) declining volume of sales; and
- (b) reduction in profitability.

Any dealer can apply to designate a given area as a congested area. When this happens, the Regional Bureau Director of the MITI conducts a survey. Final decision is taken, on the basis of this survey. Once an area has been so designated, further construction can be prohibited in or around that area.

3.7 France.—In France, the Ministry of Industry has authorised the Director of Motor Fuels to fix the annual global shares of stations authorised and to distribute the same company-wise. This has been done under a Presidential Decree, the object of which is said to be to restrict the anarchist extension of a certain network and to allow, thus, to other existing set ups, to increase their consumption and production. This decree does not apply to the resiting of existing stations or to the setting up of a new station by closing down an old one. The regulation is achieved by one of the following systems.—

- (a) 'Quota' system.
- (b) 'Pegging out' system.

Each oil company has to opt out for one of these. The option thus is valid for the entire duration of the licence. The details of the two systems are indicated below.—

3.7.1 Quota System.—Under this system the number of stations at the disposal of the company over the entire metropolitan territory will not exceed the number obtained by dividing by 1,000 the quantity (in tons) of petrol, other than avgas, which a company is authorised to offer for consumption over a period of 12 months. The quantity for calculating the quota of stations can be increased by the quantity of petrol (excluding avgas) extracted from crude of national origin, produced in refineries situated in France.

3.7.2 Pegging out System.—Where chosen this means that a company can set up a new station only where such a station is more than 50 Kms by road from its existing station and also more than 5 Kms from a group of stations of any company whatsoever. A group means three stations over a length equal to or less than 2 Kms. The number of retail outlets under this system are not subjected to any overall limitation.

3.8 United Kingdom.—In the U. K., in July, 1966, the Government decided by voluntary agreement between all of the oil companies and by a statutory order in the case of Total Oil Products (GB) Limited, that:—

- (a) All solus petrol ties must be limited for a maximum of 5 years. Beyond this period, a retailer can terminate a tie by giving 12 months' notice. A tie connected to a loan or mortgage can be extended till these are cleared. Even where ties are connected with the supply of petrol equipment, the period of 5 years will apply.
- (b) The restrictions will not apply to company owned stations and to arrangements at motorway service areas, under the Ministry of Transport. The latter were, however, to be reviewed by the President of the Board of Trade with the Minister of Transport in the light of the Report of the Monopolies Commission.

- (c) All restrictions, including at company owned stations for the sale of particular brands of lubricants, kerosene and anti-freeze preparations, were to end, except for lubricants used in the lubricating bays at company owned stations or at independent sites, where the lubrication equipment is supplied by the company. Companies agreed that for future they will not try to secure exclusive selling rights of this type even by giving rebates, discounts or other advantages.
- (d) There will be a ceiling on the number of filling stations to be operated by the larger companies or their associates, in all cases where.
 - (i) the total annual sale at the company owned stations or the stations of associated companies exceeded 50 million gallons, and
 - (ii) 15 per cent or more of the retail business of the company or its associates is through company-owned stations.
- (e) No company will by any act, including grant of lease etc., obtain the right to acquire any interest in the premises or other interests of the filling stations.

The above arrangements are to be reviewed after a period of 18 months from July, 1966.



GOVERNMENT OF INDIA

MINISTRY OF PETROLEUM AND CHEMICALS

(Department of Petroleum)

New Delhi the 27th December, 1967/6th Pausa 6, 1889 (S.E.)

RESOLUTION

The Government of India have considered the Report submitted on 14-11-67 by the Retail Outlets Committee set up under the Chairmanship of Shri R. R. Morarka. This Committee was set up on 9th June, 1966 to study the growth of retail outlets for the sale of motor spirit (petrol) and high speed diesel oil in the country in the past and to report on the desirability and methods of regulating future growth.

2. In considering this Report, the Government have taken particular note of the recommendations made by the Committee in para 7.5 of the Report to progressively improve the utilisation of the retail outlets in the various regions by 1972. The Government attach the highest importance to the attainment of the targets recommended by the Retail Outlets Committee.

3. The Government have decided to accept and adopt all the recommendations made by the Retail Outlets Committee with effect from the date of publication of this Resolution.

(Sd.) MADHAV RAJWADE
Joint Secretary to the Govt. of India



ORDER

Ordered that a copy of this Resolution be communicated to all State Governments and Union Territory Administrations, Lok Sabha and Rajya Sabha Secretariates and the concerned Ministries and Departments of the Government of India.

Ordered also that the Resolution be published in the Gazette of India Extraordinary for general information.

(Sd.) MADHAV RAJWADE
Joint Secretary to the Govt. of India

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & CHEMICALS
(Department of Petroleum)

No. 13/38/66-IOC

New Delhi : 5-1-68

1. M/s. Burmah-Shell Oil Storage & Distributing Co. of India Ltd., New Delhi.
2. M/s. Esso Standard Eastern Inc. United Commercial Bank Building, Parliament Street, New Delhi.
3. M/s. Caltex (India) Limited, Thapar House, New Delhi.
4. M/s. Indian Oil Corporation Limited (Marketing Division) 254-C, Dr. Annie Besant Road, Prabhadevi, Bombay-25 D.D.
5. M/s. Indo-Burma Petroleum Co. Ltd., Allahabad Bank Building, Parliament Street, New Delhi.
6. M/s. Assam Oil Company Ltd., Allahabad Bank Building, Parliament Street, New Delhi.

SUBJECT : *Report of the Retail Outlets Committee.*

Dear Sirs,

I am directed to enclose a copy of the Government Resolution No. 13/38/66-IOC dated the 27th December, 1967 on the above referred subject together with 15 copies of the Retail Outlets Committee's Report and to state as follows :—

2. While the oil companies may set up machinery for the regular exchange of information to enable them to watch the implementation of the recommendations of the Committee, particularly those contained in Chapters VII and VIII of the Report, the Government would also like to have, *inter-alia*, the following specific information, with a view to ensuring compliance with the Committee's recommendations :—

- (a) Group-wise number of retail outlets of the oil companies for Groups A, B, & C separately, for MS, for HSD and for MS/HSD combined, as on the 1st of January of each year, starting from January, 1968. In addition, information may also be given separately in regard to the 4 towns with a population of 2.5 lakhs and above, i.e. Bareilly, Jullundur, Meerut and Surat, which, though not included in Group B, have been specially referred to in Chapter VIII (Para 8.9) of the Committee's Report.

(b) The oil companies should compile information for each year starting from the year 1967, for Groups A, B, C and D in the same manner as has been done by the committee in Annexure 3 of its Report. The consolidation work for the industry as a whole will be undertaken by this Ministry to see if the actual throughputs are the same or more or less than those worked out by the Committee for the year 1966, and adopted as the basis for further improvements till 1972.

3. The above information in respect of 1967 may be furnished by the end of April, 1968, and similar information for future years by the end of April of the year following. In placing retail outlets in various groups and in calculating their average throughputs, the oil companies should strictly adhere to the definition of the urban area, adopted by the Committee in paragraph 1.9(14) on page 6 of the Report.

4. The Government have noted that in terms of para 8.12 of Chapter VIII of the Committee's Report, the private oil companies will not hereafter either put up new retail outlets or resite the existing ones on public land, *i.e.* land belonging to Central or State Government, Railways, Public Sector Undertakings, Municipalities etc., as distinct from land belonging to private parties. In terms of the specific recommendations of the Committee on this subject, *vide* paragraphs 8.9 and 8.10 of the Committee's Report, the details of all the retail outlets of which leases, licences, or other such occupancy arrangements have already expired or may expire upto 31-12-1968 irrespective of whether such leases, licences, etc. as aforesaid, are in the names of the oil companies or their agents, dealers, nominees, successors, etc., and irrespective of whether the option for the renewal thereof rests with the lessor, lessee licensor, licensee etc., should be intimated to the IOC in accordance with the working arrangements laid down in the Committee's Report. Since the programme for setting up new retail outlets is generally initiated 2 to 3 years in advance, information for subsequent years should also be exchanged with the IOC, well in advance, to facilitate proper planning and avoid duplication of facilities and investments.

5. While further detailed instructions will follow, action may be taken as aforesaid, the receipt of this letter may also please be acknowledged.

Yours faithfully,

Sd.- M. V. RAJWADE

Joint Secretary to the Government of India.



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